Decision 13-09-005 September 5, 2013

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Park Water Company (U 314 W) for Authority to Increase Rates Charged for Water Service by $6,491,200 or 26.16% in 2013, $1,182,595 or 3.77% in 2014, and $1,801,937 or 5.53% in 2015.	Application 12-01-001 (Filed January 3, 2012)

DECISION ADOPTING THE SETTLEMENT AGREEMENT WITH MINOR MODIFICATIONS FOR PARK WATER COMPANY'S 2013, 2014 AND 2015 REVENUE REQUIREMENT

Summary

This decision grants the joint motion for adoption of a settlement between Park Water Company (Park) and the Division of Ratepayer Advocates (DRA), with one minor modification, and authorizes a revenue requirement for Park for the years 2013, 2014 and 2015. Table 1 below illustrates the parties' original positions regarding the revenue requirement for 2013 and the revenue requirement we adopt here based on the settlement. Table 2 below illustrates the impact the settlement's revenue requirement will have on the average monthly bill of Park's average residential customer with average water use, by dollar amount and percentage, for 12 months beginning January 1, 2013.

Table 1

	Park's Requested Rev. Req.	DRA's Recommended Rev. Req.	Settlement's Adopted Rev. Req.
Test Year 2013	26.16%	18.26%	21.01%

Table 2

	Adopted Revenue Requirement	Average Monthly Bill Increase by Percentage	Average Monthly Bill Increase by Dollar Amount
Test Year 2013	$30,380,000	17.79%	$10.24

The adopted revenue requirement shown in Table 2 includes the 9.07% Rate of Return adopted by the Commission in Decision 13-05-027, issued on May 30, 2013.

This proceeding is closed.

1. Overview of the Settlement

Park Water Company (Park) and the Division of Ratepayer Advocates (DRA), the only parties to the proceeding, settled all of the issues in this general rate case.[1]

The settled issues we approve include:

- Water Consumption and Revenues;
- Customer Service;
- Operations and Maintenance;

[1] The full settlement can be found at http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M026/K525/26525184.PDF

- Administrative and General Expense;
- Ad Valorem and Payroll Taxes;
- Income Taxes;
- Utility Plant in Service;
- Depreciation Rates, Reserve and Expense;
- Working Cash;
- Conservation;
- Rate Design;
- Water Quality;
- Special Requests;
- Water Revenue Adjustment Mechanism; and
- Low Income Program.

For the majority of the issues under Water Consumption and Revenues, Customer Service, Operations and Maintenance, Administrative and General Expenses, Taxes, Depreciation Rates, Reserve and Depreciation Expenses, Rate Design, Water Quality, and the Low-Income Program, DRA found Park's requests reasonable and recommended the Commission adopt Park's estimates. For various issues, there was no difference in the methodology used by Park and DRA, but a disagreement about the amount of specific inputs used in the calculations, such as rate base, capital expenses, payroll expense or utility plant in service. Other disagreements were based on DRA's estimates being based on updated data for recorded year 2011. Once the parties agreed upon a figure for a specific item, the difference between the two positions was resolved.

The highly contested issues were Utility Plant in Service, Working Cash, Conservation and specific Special Requests. For these items the parties compromised by one side adopting the other's estimate, or both parties agreed upon a compromise position.

In Section 17.0 of the settlement, the parties have requested that the Commission make specific reference to items resolved in the settlement. The items are listed in Section 18.0, subsections 1-10, and include:[2]

- Interest on deposits;[3]
- Increased reconnection fees outside of regular business hours;[4]
- Fee for requested fire-flow tests;[5]
- Increased discounts in the California Alternate Rates for Water program;
- Continuance of the existing Water Revenue Adjustment Mechanism and Modified Cost Balancing Accounts;
- A finding that Park meets all applicable water quality standards based on DRA's review of water quality testimony and information provided by Park;
- A finding that properties referenced in Park's Exhibit 1 testimony were appropriately considered to be non-utility property;
- Authorization of a one-way balancing account to track the difference between the dollars spent on conservation

[2] Section 17.0 of the settlement incorrectly identifies Section 19.0 as listing items for specific reference in the decision. The correct section is 18.0, subsections 1-10.

[3] Section 18.1 of the settlement incorrectly identifies Section 15.3.1 as containing provisions for Park's interest rates on deposit. The correct section is 14.3.1.

[4] Section 18.1 of the settlement incorrectly identifies Section 15.3.2 as containing provisions for Park's increased reconnection fee after regular business hours. The correct section is 14.3.2.

[5] Section 18.1 of the settlement incorrectly identifies Section 15.3.3 as containing provision for Park's fire flow testing fee. The correct section is 14.3.3.

programs and the dollars collected in rates for conservation programs;[6]

- Authorization to file a rate base offset advice letter for Well 19C and the associated generator; and
- A finding that Park's maintenance contract with Central Basin Municipal Water District is properly reflected in Park's revenue requirement.

This decision adopts the settlement, with the minor modifications discussed below, and makes the specific findings and orders requested by the parties.

2. Minor Modifications to the Settlement

We make two minor modifications to the settlement. In section 14.1 (Green Projects Memorandum Account), Park requested authorization for a Green Project Memorandum Account to track the costs, expenses and capital costs associated with cost-effective "green" or pro-environmental projects for potential recovery. DRA opposed the request.

DRA recommended and Park agreed that the scope of the proposed memorandum account should be narrowed and the name changed to reflect its narrowed scope: "CB 53 In-Conduit Hydroelectric Memorandum Account." In lieu of the memorandum account authorization, the parties agreed that $38,000 for a feasibility study be included in rates. After the feasibility study and, if the proposed project is shown to be viable, Park states that it will submit a Tier 2 advice letter along with the feasibility study and other supporting documents to request the establishment of a memorandum account to track potential costs.

[6] Section 18.6 of the settlement incorrectly identifies Section 3.14 as containing provisions for Park's conservation programs. The correct section is 11.4.

We are most concerned with the provision stating, "… if the proposed project is shown to be viable, Park would then submit a Tier 2 advice letter…"[7] Is viability determined from an engineering perspective or based on economic viability and who determines viability? The settlement states that the study and supporting documents will be filed along with the Tier 2 advice letter, but the establishment of a memorandum account is not a ministerial Tier 2 filing. The establishment of a memorandum account to track potential costs should be done through, at minimum, a Tier 3 advice letter filing requiring staff review and analysis of the feasibility study and a Commission resolution approving the memorandum account. Therefore, we modify the settlement to require that the establishment of the memorandum account be requested via a Tier 3 advice letter filing.

Finally, the settlement does not state whether the $38,000 for the feasibility study is a one-time amount to be amortized over the three-year rate case cycle. Therefore, we modify the settlement to specifically state that the $38,000 for a feasibility study be a one-time amount included in the revenue requirement for Test year 2013 and excluded from the revenue requirement established for Escalation Years 2014 and 2015.

2.1. Conclusion

Should the parties decline to accept the modifications to the settlement set forth in this decision, the assigned Commissioner shall issue a revised scoping memo to set the matters for evidentiary hearing.

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[7] Settlement at 63.

3. Settlement Standard of Review

As the applicant, Park bears the burden of proof to show that the regulatory relief it requests is just and reasonable and the related ratemaking mechanisms are fair.

In order for the Commission to consider a proposed settlement in this proceeding as being in the public interest, the Commission must be convinced that the parties had a sound and thorough understanding of the application, and all of the underlying assumptions and data included in the record. This level of understanding of the application and development of an adequate record is necessary to meet our requirements for considering any settlement. These requirements are set forth in Rule 12.1(a)[8] which states:

> Parties may, by written motion any time after the first prehearing conference and within 30 days after the last day of hearing, propose settlements on the resolution of any material issue of law or fact or on a mutually agreeable outcome to the proceeding. Settlements need not be joined by all parties; however, settlements in applications must be signed by the applicant….
>
> When a settlement pertains to a proceeding under a Rate Case Plan or other proceeding in which a comparison exhibit would ordinarily be filed, the motion must be supported by a comparison exhibit indicating the impact of the settlement in relation to the utility's application and, if the participating staff supports the settlement, in relation to the issues staff contested, or would have contested, in a hearing.

[8] All referenced Rules are the Commission's Rules of Practice and Procedure. (http//docs.cpuc.ca.gov/published/RULES_PRAC_PROC/70731.htm)

Rule 12.1(d) provides that:

> The Commission will not approve settlements, whether contested or uncontested, unless the settlement is reasonable in light of the whole record, consistent with the law, and in the public interest.

Rule 12.5 limits the future applicability of a settlement:

> Commission adoption of a settlement is binding on all parties to the proceeding in which the settlement is proposed. Unless the Commission expressly provides otherwise, such adoption does not constitute approval of, or precedent regarding, any principle or issue in the proceeding or in any future proceeding.

In short, we must find whether the settlement comports with Rule 12.1(d), which requires a settlement to be "reasonable in light of the whole record, consistent with law, and in the public interest." We address below whether the settlements meet these three requirements.

3.1. Does the Settlement Meet the Standard of Review for Settlements

The record consists of all filed documents, the served testimony, the proposed settlement and the motion for its adoption. The settlement resolves all issues in the general rate case filling by Park and issues raised in the DRA Report of Operations.

The settling parties represent a broad spectrum of interests. Park represents the utility and its shareholders, while DRA represent the interest of ratepayers. Thus, the settling parties are experienced in public utility litigation and the settlement is the result of extensive and vigorous negotiations. The parties to the settlement have a sound and thorough understanding of the issues, and all of the underlying assumptions and data and could therefore make informed decisions in the settlement process. The settlement is reasonable in light of the whole record, because the settling parties fairly reflect the affected

interests, these parties actively participated in this proceeding, and the settlement fairly and reasonably resolves the issues in the general rate case.

The Commission could have resolved the issues in favor of either of the parties. Accordingly, the settling parties have balanced a variety of issues of importance to them and have agreed to the settlement as a reasonable means by which to resolve the issues. Thus, for the reasons discussed above, and taken as a whole, the settlement is reasonable in light of the whole record.

With the exception of the establishment of an In-Conduit Hydroelectric Memorandum Account through a Tier 2 advice letter filing, which is a non-ministerial action requiring a Tier 3 advice letter and a Commission resolution, there are no terms within the settlement agreement that would bind the Commission in the future or violate existing law. Therefore, with the exception noted above, we find the settlement consistent with the law.

The settling parties addressed and resolved the issues identified in the proceeding. The settlement terms ensure that customers have access to an affordable, safe and reliable water supply. As previously noted, the settling parties represent a broad spectrum of utility and consumer interests. We may therefore conclude that the settlement is in the public interest.

There is a public policy favoring the settlement of disputes to avoid costly and protracted litigation.[9] The settlement satisfies this public policy preference for the following reasons.

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[9] Decision (D.) 88-12-083, 30 CPUC 2d 189, 221.

The sponsors of the settlement represent the interests of Park and its customers. Thus, the settling parties represent the interests of shareholders and ratepayers that have an interest in the services provide by Park.

The settlement serves the public interest by resolving competing concerns in a collaborative and cooperative manner. By reaching agreement, the parties avoid the costs of further litigation in this proceeding, and eliminate the possible litigation costs for rehearing and appeal.

Approval of the settlement provides speedy and complete resolution of the issues. Thus, the settlement meets the applicable settlement standards of Rule 12.1(d) and therefore should be accorded the same deference the Commission accords settlements generally, and should be adopted.

Adoption of the settlement is binding on all parties to the proceeding. However, pursuant to Rule 12.5, the settlement does not bind or otherwise impose a precedent in this or any future proceeding. We specifically note, therefore, that Park must not presume in any subsequent application that the Commission would deem the outcome adopted herein to be presumed reasonable and it must, therefore, fully justify every request and ratemaking proposal without reference to, or reliance on, the adoption of the settlement.

4. Procedural Background

On January 3, 2012, Park filed its general rate case Application (A.) 12-01-001. DRA filed a protest to the application on February 3, 2012. On May 12, 2012, DRA served its Report on the Results of Operations of Park Water Company's Central Basin Division.

A telephonic prehearing conference was noticed on February 10, 2012 and held on February 23, 2012. The scoping memo of the assigned Commissioner and the assigned Administrative Law Judge (ALJ) was issued on March 30, 2012

setting out the scope of the proceeding and the schedule of evidentiary hearings. On May 15, 2012 public participation hearings (PPH) were held at 2:00 p.m. and 7:00 p.m. in Bellflower. The PPHs were generally well attended with many attendees taking the opportunity to speak. The prevalent theme at the PPHs was the size of the increase sought by Park and the impact on ratepayers' water bills.

On July 3, 2012, parties informed the ALJ that they had reached a settlement on all the issues. On July 5, 2012, the ALJ cancelled the evidentiary hearings scheduled to begin on July 9 and continue through July 13, 2012.

A joint motion to approve the settlement agreement and the comparison exhibit was filed on August 17, 2012.

5. Categorization and Need for Hearings

In Resolution ALJ 176-3287 dated January 12, 2012, the Commission preliminary categorized this application as Ratesetting, and preliminarily determined that hearings were necessary. Because the parties reached settlement, the hearings determination is changed to state that no evidentiary hearings are necessary.

6. Comments on Proposed Decision

The proposed decision of ALJ Linda A. Rochester in this matter was mailed to the parties in accordance with § 311 of the Public Utilities Code and comments are allowed pursuant to Rule 14.3 of the Commission's Rules of Practice and Procedure. Opening comments were filed by Park Water Company on August 26, 2013. No reply comments were filed. All comments were considered and changes were made as appropriate.

7. Assignment of Proceeding

Catherine J.K. Sandoval is the assigned Commissioner and Linda Rochester is the assigned ALJ in this proceeding.

Findings of Fact

1. On August 17, 2012, Park and DRA filed a motion to adopt a settlement agreement on all issues raised in the general rate case.

2. The record for the proposed settlement is composed of the application, testimony of the parties and all other filings.

3. The parties to the settlement adopted by this decision have a sound and thorough understanding of the issues and all of the underlying assumptions and data and could therefore make informed decisions in the settlement process.

4. The proposed settlement is a balance between the original positions as otherwise litigated in the prepared testimony of the parties.

5. The parties have requested that the Commission make specific reference to certain items resolved by the settlement. The specific items are listed in Section 18.0, subsections 1-10.

6. Based on DRA's review of water quality testimony and information provided by the applicant, Park meets all applicable water quality standards.

7. Pump Lot 13-B with a total original cost of $1,355.10 was determined to be no longer used and useful and the parcel associated with standby well 29K, with an original cost of $1,001.60, are appropriately considered non-utility property.

8. Park's maintenance contract with Central Basin Municipal Water District, which is subject to Excess Capacity D.00-07-018 and the Non-Tariffed Products & Services Rules in D.10-10-019 (Appendix A, Rule X) for unregulated transactions, is properly reflected in its revenue requirement.

9. Section 14.0 of the settlement includes $38,000 to be included in rates for a feasibility study on In-Conduit Hydroelectric. If determined feasible, Park will file a Tier 2 advice letter, accompanied by the feasibility study and supporting

documents, to request establishment of an In-Conduit Hydroelectric memorandum account.

10. Section 14.1 of the settlement does not state who will determine the feasibility of In-Conduit Hydroelectric, whether it is engineering or economic feasibility or if the $38,000 for the feasibility study is a one-time cost.

11. Establishment of a memorandum account is a non-ministerial action requiring a Tier 3 advice letter filing and a Commission resolution.

Conclusions of Law

1. Applicant alone bears the burden of proof to show that its requests are reasonable.

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

3. The proposed settlement is reasonable because it fairly balances the interests of the utility and ratepayers.

4. The settlement is reasonable in light of the whole record.

5. With the exception of the establishment of an In-Conduit Hydroelectric Memorandum Account through a Tier 2 advice letter filing, which is a non-ministerial action requiring a Tier 3 advice letter and a Commission resolution, the settlement is consistent with the law and does not contravene or compromise any statutory provisions or Commission decision.

6. Adoption of the settlement is binding on all parties to the proceeding. However, pursuant to Rule 12.5, the settlement does not bind or otherwise impose a precedent in this or any future proceeding. Park must not presume in any subsequent application that the Commission would deem the outcome adopted herein to be presumed reasonable and it must, therefore, fully justify

every request and ratemaking proposal without reference to, or reliance on, the adoption of the settlement.

7. As requested by the parties, the Commission should make specific reference to the resolved items listed in Section 18.0, subsections 1-10.

8. Park should request the establishment of the In-Conduit Hydroelectric Memorandum Account by filing a Tier 3 advice letter.

9. The $38,000 cost for the In-Conduit Hydroelectric feasibility study should be a one-time cost included in the revenue requirement for Test Year 2013 and excluded from the revenue requirement established for Escalation Years 2014 and 2015.

O R D E R

IT IS ORDERED that:

1. The joint motion of Park Water Company and the Division of Ratepayer Advocates to adopt the August 17, 2012 settlement is granted.

2. Park Water Company is authorized to file by Tier 1 advice letter the revised tariff schedules, included in this decision as Attachment B, and to concurrently cancel its present schedules for such service. This filing must be approved by the Commission's Division of Water and Audits. The revised schedule shall be effective no earlier than five days after the effective date of this decision, and shall apply only to service rendered on or after the effective date of all tariff schedules.

3. Park Water Company is authorized to file a Tier 1 advice letter to recover the difference between the interim and final rates from its customers. The difference between the interim and final rates based on the revenue requirement adopted here, shall be recovered over the balance of the rate case cycle.

4. Park Water Company is authorized to file Tier 1 advice letters to implement increases for escalations years 2014 and 2015.

5. Pursuant to Rule 12.5, the settlement does not bind or otherwise impose a precedent in this or any future proceeding. In subsequent applications, Park Water Company must fully justify every request and ratemaking proposal without reference to, or reliance on, the adoption of the settlements herein.

6. Park Water Company is authorized to change its tariff fees to reflect that interest on deposits shall be the average monthly 90-day non-financial commercial paper rates.

7. Park Water Company is authorized to change its tariffs to reflect a service reconnection fee of $370 for reconnections outside of regular business hours.

8. Park Water Company is authorized to change its tariffs to reflect a fire-flow test fee of $390 per fire-flow test.

9. Park Water Company is authorized to change its existing low-income discount program known as the California Alternate Rates for Water, for qualifying customers, by increasing the current monthly discount of $5.50 by the average percentage increase authorized by the rates adopted in this proceeding to $6.65. Park Water Company is also authorized to increase the surcharge shown in Tariff Schedule No. CARW-SC to $6.07 per month to offset the increased California Alternate Rates for Water discounts.

10. Park Water Company is authorized to continue its Water Revenue Adjustment Mechanism and Modified Cost Balancing Account.

11. Park Water Company is authorized file a Tier 2 advice letter to incorporate into its preliminary statement a capped one-way balancing account to track the difference between dollars spent on conservation programs and dollars collected in rates for conservation programs. The one-way balancing

account shall be capped at $1,125,488 and shall cover the three-year rate case cycle.

12. Park Water Company is authorized to file a Tier 2 advice letter for rate base offset of costs related to Well 19C and the associated generator, capped at the updated cost of $1,380,991.50.

13. Park Water Company may request the establishment of an In-Conduit Hydroelectric Memorandum Account via Tier 3 advice letter. The Tier 3 advice letter must be accompanied by the feasibility study and supporting documents.

14. Park Water Company's In-Conduit Hydroelectric feasibility study cost of $38,000 shall be a one-time cost included in the revenue requirement for Test year 2013 and excluded from the revenue requirement established for Escalation Years 2014 and 2015.

15. Application 12-01-001 is closed.

This order is effective today.

Dated September 5, 2013, at San Francisco, California.

MICHAEL R. PEEVEY
President
CATHERINE J.K. SANDOVAL
MARK J. FERRON
CARLA J. PETERMAN
Commissioners

Commissioner Michel Peter Florio, being necessarily absent, did not participate.

ATTACHMENT A

Summary of Earnings

ATTACHMENT A
PARK WATER COMPANY
TEST YEAR 2013
SUMMARY OF EARNINGS
(Dollars In Thousands)

	PRESENT RATES	AT AUTHORIZED RATE OF RETURN
OPERATING REVENUES	25,089.8	30,090.8
DEFERRED REVENUES	(0.2)	(0.2)
MISCELLANEOUS REVENUE	(289.1)	(289.1)
TOTAL REVENUES	25,379.0	30,380.0
OPERATIONS & MAINTENANCE		
PAYROLL-OPERATIONS	1,073.4	1,073.4
OPERATIONS-OTHER	244.1	244.1
PURCHASED WATER-POTABLE	8,525.6	8,525.6
PURCHASED WATER-RECLAIMED	139.5	139.5
PURCHASED POWER	202.7	202.7
LEASED WATER RIGHTS	429.8	429.8
REPLENISHMENT	683.2	683.2
CHEMICALS	43.9	43.9
PAYROLL-CUSTOMERS	893.1	893.1
CUSTOMERS-OTHER	632.3	632.3
UNCOLLECTIBLES	190.3	227.9
PAYROLL-MAINTENANCE	357.9	357.9
MAINTENANCE-OTHER	606.1	606.1
PAYROLL-CLEARINGS	132.5	132.5
DEPRECIATION-CLEARINGS	134.4	134.4
CLEARINGS-OTHER	226.1	226.1
SUBTOTAL O & M	14,514.9	14,552.4
ADMINISTRATIVE & GENERAL		
A & G PAYROLL	1,966.4	1,966.4
EMPLOYEE BENEFITS	1,872.3	1,872.3
INSURANCE	876.1	876.1
UNINSURED PROPERTY DAMAGE	0.0	0.0

REG. COMM. EXPENSE	186.8	186.8
FRANCHISE REQUIREMENTS	101.5	121.5
OUTSIDE SERVICES	229.6	229.6
A & G - OTHER	510.7	510.7
A & G TRANSFERRED CREDIT	(448.1)	(448.1)
RENTS	0.0	0.0
[1] GENERAL OFFICE ALLOCATION	2,762.8	2,762.8
SUBTOTAL A & G	8,058.2	8,078.2
OTHER TAXES		
[1] PROPERTY TAXES	409.8	409.8
[1] PAYROLL TAXES	396.7	396.7
SUB-TOTAL OTHER TAXES	806.5	806.5
[1] DEPRECIATION	1,841.3	1,841.3
CA INCOME TAXES	(106.2)	334.5
FEDERAL INCOME TAXES	(290.3)	1,383.5
TOTAL EXPENSES	24,824.5	26,996.4
NET REVENUE	554.6	3,383.6
TOTAL RATE BASE	37,309.4	37,309.4
RATE OF RETURN	1.49%	9.07%

[1] DEPRECIATION, AD VALOREM AND PAYROLL TAXES FROM PARKS
GENERAL OFFICE HAVE BEEN INCLUDED IN THE APPROPRIATE LINE
ITEM OF EXPENSE.

(END OF ATTACHMENT A)

ATTACHMENT B

Tariff Sheets

ATTACHMENT B

PARK WATER COMPANY

Schedule No. PR-1-R

RESIDENTIAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service provided to single-family residential customers.

TERRITORY

Within all service areas in Los Angeles County as delineated in the service area maps included

in the tariff schedules.

RATES

Quantity Rates:

For the first 1,000 cubic feet, per 100 cubic feet ..... $ 4.327

For all over 1,000 cubic feet, per 100 cubic feet ..... $ 4.976

	Per Meter Per Month
Service Charge:	
For 5/8 x 3/4-inch meter	$ 18.26
For 3/4-inch meter	27.40
For 1-inch meter	45.70
For 1 1/2-inch meter	91.30
For 2-inch meter	146.10

For 3-inch meter	273.90
For 4-inch meter	456.50
For 6-inch meter	913.00
For 8-inch meter	1,460.80
For 10-inch meter	2099.90
For 12-inch meter	3,012.90

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

SPECIAL CONDITIONS

1. All charges under this schedule to customers in the City of Norwalk subject to surcharge of 2.04 percent.

(Continued)

ATTACHMENT B

PARK WATER COMPANY

Schedule No. PR-1-R

RESIDENTIAL METERED SERVICE

(Continued)

2. A late charge will be imposed per Schedule LC.
3. In accordance with Section 2714 of the Public Utilities Code, if a tenant in a rental unit leaves owing the Company, service to the subsequent tenants in that unit will, at the Company's option be furnished on the account of the landlord or property owner.
4. All bills subject to the reimbursement fee set forth on Schedule No. UF.
5. As authorized by the California Public Utilities Commission, an amount of $0.276 per Ccf is to be added to the quantity rate for a period of 18 months, beginning on the effective date of Advice Letter 230-W. This surcharge will recover the under-collection in the WRAM and MCBA as of December 31, 2011.
6. As authorized by the California Public Utilities Commission, an amount of $0.025 per Ccf is to be added to the quantity rate for a period of 12 months, beginning on the effective date of Advice Letter 233-W. This surcharge will recover the under-collection in the Cost of Capital Memorandum Account.
7. As authorized by the California Public Utilities Commission, an amount of $0.338 per Ccf is to be added to the quantity rate for a period of 18 months, beginning on the effective date of Advice Letter 240-W. This surcharge will recover the under-collection in the WRAM and MCBA as of December 31, 2012.

ATTACHMENT B

PARK WATER COMPANY

Schedule No. PR-1-NR

NON-RESIDENTIAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service except that provided to single-family residential customers.

TERRITORY

Within all service areas in Los Angeles County as delineated in the service area maps included in the tariff schedules.

RATES

Quantity Rate:

For all water delivered per 100 cubic feet ..... $ 4.671

	Per Meter Per Month
Service Charge:	
For 5/8 x 3/4-inch meter	$ 18.26
For 3/4-inch meter	27.40
For 1-inch meter	45.70
For 1 1/2-inch meter	91.30
For 2-inch meter	146.10
For 3-inch meter	273.90
For 4-inch meter	456.50

For 6-inch meter 913.00
For 8-inch meter 1,460.80
For 10-inch meter 2099.90
For 12-inch meter 3,012.90

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

SPECIAL CONDITIONS

1. All charges under this schedule to customers in the City of Norwalk subject to surcharge of 2.04 percent.

(Continued)

ATTACHMENT B

PARK WATER COMPANY

Schedule No. PR-1-NR

NON-RESIDENTIAL METERED SERVICE

(Continued)

2. A late charge will be imposed per Schedule LC.

3. In accordance with Section 2714 of the Public Utilities Code, if a tenant in a rental unit leaves owing the Company, service to the subsequent tenants in that unit will, at the Company's option be furnished on the account of the landlord or property owner.

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

5. As authorized by the California Public Utilities Commission, an amount of $0.276 per Ccf is to be added to the quantity rate for a period of 18 months, beginning on the effective date of Advice Letter 230-W. This surcharge will recover the under-collection in the WRAM and MCBA as of December 31, 2011.

6. As authorized by the California Public Utilities Commission, an amount of $0.025 per Ccf is to be added to the quantity rate for a period of 12 months, beginning on the effective date of Advice Letter 233-W. This surcharge will recover the under-collection in the Cost of Capital Memorandum Account.

7. As authorized by the California Public Utilities Commission, an amount of $0.338 per Ccf is to be added to the quantity rate for a period of 18 months, beginning on the effective date of Advice Letter 240-W. This surcharge will recover the under-collection in the WRAM and MCBA as of December 31, 2012.

ATTACHMENT B

PARK WATER COMPANY

Schedule No. PR-4F

NON-METERED FIRE SPRINKLER SERVICE

APPLICABILITY

Applicable only for water service to privately owned non-metered fire sprinkler systems and hydrants where water is to be used only in case of fire.

TERRITORY

Within all service areas in Los Angeles County as delineated on the service area maps included in the tariff schedules.

RATES

Size of Service	Per Service Per Month
2-inch	$ 19.54
3-inch	25.92
4-inch	38.54
6-inch	56.93
8-inch	84.25
10-inch	123.95
12-inch	179.34

SPECIAL CONDITIONS

1. The fire protection service connection shall be installed by the utility with the cost thereof paid by the applicant. Such payment shall not be subject to refund.
2. The minimum diameter for fire protection service shall be two (2) inches, and the maximum diameter shall be not more than the diameter of the main to which the service is connected.
3. If a distribution main of adequate size to serve a private fire protection system in addition to all Other normal service does not exist in the street or alley adjacent to the premises to be served, then a service main from the nearest main of adequate capacity shall be installed by the utility and the cost paid by the applicant. Such payment shall not be subject to refund.

(Continued)

ATTACHMENT B

PARK WATER COMPANY

Schedule No. PR-4F

NON-METERED FIRE SERVICE

(Continued)

4. Service hereunder is for private fire protection systems to which no connections for other than fire protection purposes are allowed and which are regularly inspected by the underwriters having jurisdiction, are installed according to specifications of the utility, and are maintained to the satisfaction of the utility. The utility may install the standard detector type meter approved by the board of Fire Underwriters for protection against theft, leakage or waste of water, and the cost paid by the applicant. Such payment shall not be subject to refund.
5. The utility undertakes to supply only such water at such pressure as may be available at any time through the normal operation of its system.
6. Any unauthorized use of water, other than for fire extinguishing purposes, shall be charged for at the regular established rate as set forth under Schedule No.PR-1, and/or may be the grounds for the immediate disconnection of the service without liability to the Company.
7. The utility reserves the right to limit the installation of private fire hydrant service to such areas where public fire hydrant does not exist or where public fire hydrant service is limited in scope to the detriment of the applicant.
8. A late charge will be imposed per Schedule No. LC.

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

PARK WATER COMPANY

SCHEDULE NO. PR-5

FIRE FLOW TESTING CHARGE

APPLICABILITY

Applicable to all fire flow tests performed or witnessed using utility personnel.

TERRITORY

This fee applies to tests performed within all service areas of Los Angeles County as delineated in the service area maps included in the tariff schedules.

RATES

Per Fire Flow Test Performed	$390.00

SPECIAL CONDITIONS

1. Applicants must complete and submit Park Water Company's Fire Flow Test Application.

PARK WATER COMPANY

Schedule No. PR-6

RECLAIMED WATER SERVICE

APPLICABILITY

Applicable to metered reclaimed water service

TERRITORY

Within all service areas in Los Angeles County as delineated on the service area maps included in the tariff schedules.

RATES

Quantity Rate:

For all water delivered per 100 cubic feet ..... $ 3.682

	Per Meter Per Month
Service Charge:	
For 5/8 x 3/4-inch meter	$ 18.26
For 3/4-inch meter	27.40
For 1-inch meter	45.70
For 1 1/2-inch meter	91.30
For 2-inch meter	146.10
For 3-inch meter	273.90
For 4-inch meter	456.50

For 6-inch meter 913.00

For 8-inch meter 1,460.80

For 10-inch meter 2099.90

For 12-inch meter 3,012.90

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

SPECIAL CONDITIONS

1. The user (customer) is responsible for on-site compliance with local, state, or federal regulations that may apply to the use of an approved reclaimed water source.

ATTACHMENT B

PARK WATER COMPANY

Schedule No. PR-6

RECLAIMED WATER SERVICE

(Continued)

SPECIAL CONDITIONS (Cont.)

2. All charges under this schedule to customers in the City of Norwalk are subject to a surcharge of 2.04 percent.

3. A late charge will be imposed per Schedule No. LC.

4. All bills are subject to the reimbursement fee set forth on Schedule #UF.

5. As authorized by the California Public Utilities Commission, an amount of $0.014 per Ccf is to be added to the quantity rate for a period of 12 months, beginning on the effective date of Advice Letter 233-W. This surcharge will recover the under-collection in the Cost of Capital Memorandum Account.

ATTACHMENT B

PARK WATER COMPANY

Schedule No. PR-9CM

CONSTRUCTION AND OTHER TEMPORARY METERED SERVICE

APPLICABILITY

Applicable to all metered water service furnished for construction and other temporary purposes.

TERRITORY

Within all service areas in Los Angeles County as delineated on the maps included in the tariff schedules.

RATES

Monthly quantity rates and service charge listed in Schedule PR-1, General Metered Service will apply to service furnished under this schedule.

SPECIAL CONDITIONS

1. Where it is necessary to install or relocate a meter to furnish service under this schedule, and such meter may be connected to the utility's existing facilities, the following charges will apply:

   a. For installation and removal of the meter $25.00

   b. For each relocation of the meter within the same local area as the original installation $12.50

2. Where no suitable outlet exists at the point where service is desired, the necessary facilities will be installed under the provisions of Rule No. 13, Temporary Service.

3. In case a meter is installed or used under conditions which are considered by the utility to subject the meter to unusual hazards, the applicant will be required to deposit with the utility the amount, shown in the table below, which corresponds to the size and type of meter installed:

(Continued)

ATTACHMENT B

PARK WATER COMPANY

Schedule No. PR-9CM

CONSTRUCTION AND OTHER TEMPORARY METERED SERVICE

(Continued)

Size of Meter	Amount of Deposit
5/8 x 3/4 or 3/4 inch	$ 30.00
1-inch disc	60.00
1-1/2 inch	125.00
2-inch disc or torrent	200.00
2-1/2 inch Sparling Fire Hydrant	250.00
3-inch disc or torrent	895.00

The deposit less the cost of any repairs other than those due to normal depreciation, will be returned to the customer upon completion of the service for which the meter was installed.

4. A late charge will be imposed per Schedule No. LC.

ATTACHMENT B

PARK WATER COMPANY

Schedule No. LC

LATE PAYMENT CHARGE

APPLICABILITY

Applicable to all service.

TERRITORY

Within the entire service area of the Company.

RATES

Late Charge: A late charge of 1.5% on unpaid balance subject to special conditions and minimum charge below:

Minimum Charge: The minimum charge is $1.00

SPECIAL CONDITIONS

1. The balance is unpaid and subject to a late charge if the bill is Past-Due, or delinquent, as defined in Rule No, 11, Section B.1.a.

2. The late charge should be imposed only once on a delinquent bill since the account would be shut off before a subsequent bill and then subject to the reconnection fee as authorized by Tariff Rule No. 11.

3. All bills shall be subject to the reimbursement fee as set forth on Schedule No. UF.

ATTACHMENT B

PARK WATER COMPANY

Schedule No. UF

SURCHARGE TO FUND PUBLIC UTILITIES

COMMISSION REIMBURSEMENT FEE

APPLICABILITY

This surcharge applies to all water bills rendered under all tariff rate schedules authorized by the Commission.

TERRITORY

This schedule is applicable within the entire territory serviced by the utility.

RATES*

A 1.5% (.015) surcharge shall be added to all customer bills.

In 1982 the Legislature established a Public Utilities Commission Reimbursement Fee to be paid by all water and sewer system corporations to fund their regulation by the Commission. Public Utilities (PU) Code Sections 401-442. The surcharge to defray the cost of that fee is ordered by the Commission under authority granted by PU Code Section 403.

ATTACHMENT B

PARK WATER COMPANY

SCHEDULE NO. CARW

CALIFORNIA ALTERNATIVE RATES FOR WATER

APPLICABILITY

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

TERRITORY

Within all service areas of Los Angeles County as delineated in the service area maps included in the tariff schedules.

METERED SINGLE-FAMILY RESIDENTIAL RATES

Quantity Rate:

Customers will be charged per 100 cubic feet of water delivered at the quantity rate
reflected in Schedule No. PR-1, General Metered Service.

Service Charges:

Customers will be charged a monthly service charge at the applicable meter size rate
reflected in Schedule No. PR-1, General Metered Service. Customers will receive a monthly
CARW Credit of $6.65 prorated based on days of service, if service is not provided for a full
month.

QUALIFIED NON-PROFIT GROUP LIVING FACILITIES RATES

Quantity Rate:

Customers will be charged per 100 cubic feet of water delivered at the quantity rate
reflected in Schedule No. PR-1, General Metered Service.

Service Charges:

Customers will be charged a monthly service charge at the applicable meter size rate reflected in Schedule No. PR-1, General Metered Service. Customers will receive a monthly CARW credit of $20.00 prorated based on days of service, if service is not provided for a full month. The maximum monthly credit per qualifying sub-meter customer is $20.00.

(Continued)

ATTACHMENT B

PARK WATER COMPANY

SCHEDULE NO. CARW

CALIFORNIA ALTERNATIVE RATES FOR WATER

(Continued)

SPECIAL CONDITIONS

1. CARW Household: A CARW Household is a household where the total gross income from all sources is less than or equal to the maximum household income level for the CARE programs approved by the Commission as reflected on Form No. 13, California Alternative Rates for Water (CARW) Application. 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.

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 accommodation 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 change in the customer's eligibility status.

6. Customers may be re-billed for CARW credits received during periods of ineligibility.

7. All bills are subject to the Public Utilities Commission Reimbursement Fee set forth
on Schedule No. UF.

ATTACHMENT B

PARK WATER COMPANY

SCHEDULE NO. CARW-SC

CALIFORNIA ALTERNATIVE RATES FOR WATER

APPLICABILITY

Applicable to all metered water service, excluding Fire Sprinkler Service, Reclaimed Water Service, Construction and Temporary Metered Service, and customers that receive a CARW credit.

TERRITORY

Within all service areas of Los Angeles County as delineated in the service area maps included in the tariff schedules.

SPECIAL CONDITIONS

A surcharge of $6.07 per month is applicable to all metered customers, excluding customers receiving Non-Metered Fire Sprinkler Service, Reclaimed Water Service, Construction and Other Temporary Metered Service, and customers that receive a CARW credit. The surcharge offsets CARW credits and CARW program costs and will be applied to each customer's bill.

ATTACHMENT B

PARK WATER COMPANY

Rule No. 7

DEPOSITS

A. Amount to Establish Credit

1. Metered Service

a. To establish credit by deposit, the amount for all service will be twice the estimated average monthly bill.

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

2. Flat Rate Service

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

B. Amount to Re-establish Credit

1. Former customers

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

2. Present Customer

To re-establish credit for a customer whose service has been discontinued for non-payment of bills, the amount will be twice

the average monthly or bimonthly bill to be rendered for that service.

C. Applicability to Unpaid Accounts

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

(Continued)

PARK WATER COMPANY

Rule No. 7

DEPOSITS

(Continued)

D. Return of Deposits

1. Upon discontinuance of service, the utility will refund the balance of the customer's deposit in excess of unpaid bills for that service for which the deposit was made.

2. After the customer has, for 12 consecutive months, paid bills for service on the average within 15 days after a presentation, the utility will refund the customer's deposit with interest as provided in Paragraph E of this rule.

E. Interest on Deposits

1. Interest on deposits held will be paid by the utility at the average monthly 90-day commercial paper rate during which the customer has paid bills for service within an average period of 15 days after presentation, and for additional time thereafter up to the date of refund; provided, however, that no interest shall accrue after mailing to the customer or the customer's last known address the refund or a notice that the refund is payable.

2. No interest will be paid if service is discontinued within the initial 12-month period.

RULE NO. 11

DISCONTINUANCE AND RESTORATION OF SERVICE
(Continued)

C. 3. To Be Made at Other Than Regular Working Hours

When a customer has requested that the reconnection be made at other than regular working hours (Regular Hours are Monday through Friday, excluding holidays, from 8:00 a.m. to 4:30 p.m.), the utility will reasonably endeavor to so make the reconnection if practicable under the circumstances upon payment of a fee of $370 per reconnection. This same fee, $370 per disconnection, will also be applicable to requests for disconnection made at other than regular hours, except that the fee will not be applicable to emergency situations such as the flooding of a house or leaks between the meter and house valve.

4. Wrongful Discontinuance

A service wrongfully discontinued by the utility must be restored without charge for the restoration to the customer within 24 hours.

D. Refusal to Serve

1. Conditions for Refusal

The utility may refuse to serve an applicant for service under the following conditions:

a. If the applicant fails to comply with any of the rules as filed with the Public Utilities Commission.

b. If the intended use of the service is of such a nature that it will be detrimental or injurious to existing customers.

c. If, in the judgment of the utility, the applicant's installation for utilizing the service is unsafe or hazardous, or of such nature that satisfactory service cannot be rendered.

d. Where service has been discontinued for fraudulent use, the utility will not service an applicant until it has determined

(continued)

PARK WATER COMPANY

Rule No. 15

MAIN EXTENSIONS

(Continued)

D. Extension Designed to Include Fire Protection

1. The cost of distribution mains designed to meet the fire flow requirements set forth in Section VIII.1(a) of General Order No. 103 is to be advanced by the applicant. The utility shall refund this advance as provided in section B.2. and C.2 of this rule.

2. Should distribution mains be designed to meet fire flow requirements in excess of those set forth in Section VIII.1.(a) of General Order NO. 103, the increase in cost of the distribution mains necessary to meet such higher fire flow requirements shall be paid to the utility as a contribution in aid of construction.

3. The cost of facilities other than hydrants and distribution mains required to provide supply, pressure, or storage primarily for fire protection purposes, or portions of such facilities allocated in proportion to the capacity designed for fire protection purposes, shall be paid to the utility as a contribution in aid of construction.

4. Should the Company be requested to perform a fire-flow test to determine if additional facilities may be required for fire protection, the Company will perform the requested fire-flow tests upon payment of a fee of $390 per fire-flow test. The fee will be required regardless of eventual determination of the necessity of additional

facilities and will be separate and apart from any advance or contribution required for the cost of facilities.

PARK WATER COMPANY
FIRE FLOW TEST APPLICATION

Park Water Company (Park) charges $390.00 for each fire flow test that is performed or witnessed by Park personnel. Discounts for multiple tests being requested are not available. The $390.00 is due in advance of Park performing or witnessing the fire flow test.

This section is to be completed by the Applicant.

_____
Print Applicant or Contact First and Last Name, include Company Name if Applicable.

_____
Print Applicant or Contact Mailing Address: Street or P.O. Box.

_____
Print Applicant or Contact City, State, and Zip Code.

_____
Print Applicant or Contact Phone Number.

_____
Print Address/Location where Fire Flow Test is Requested.

Check the appropriate box below and provide the information needed to indicate how the test results are to be sent by Park. **Please note that some local fire agencies require original signed forms, in which case the test results will be sent in the mail.**

☐ Mailing Address _____
_____
_____

☐ Email Address _____

☐ Fax Number _____

_____ _____
Signature Date

Return the completed form and fee to:

Park Water Company
9750 Washburn Road
Downey, CA 90241

Please make check or money order payable to **Park Water Company**.

This section to be completed by Park Water Company

Number of Fire Flow Tests: ☐ 1 ☐ 2 ☐ 3 ☐ Other

Amount and date received: _____

Park personnel receiving the fire flow test fee: _____

Date completed documents sent to applicant: _____

Park personnel sending completed documents: _____

ATTACHMENT C

Comparison of Rates

ATTACHMENT C
PARK WATER COMPANY
COMPARISON OF RATES
TEST YEAR 2013

USAGE	PRESENT Tier 2 >12	ADOPTED Tier 2 >10	INCREASE	PERCENT
0	16.97	18.26	1.29	7.60%
10	52.46	61.53	9.07	17.29%
11.26 AVG	57.55	67.79	10.24	17.79%
20	91.93	111.29	19.35	21.05%
30	132.40	161.05	28.64	21.63%
50	213.34	260.56	47.22	22.13%

Note: Based on Monthly Charges According to Schedule No. 1
Metered Comparison based on 5/8 x 3/4-inch meter
Rates do not include CPUC fees or surcharges that may appear on customer bills

(END OF ATTACHMENT C)

ATTACHMENT D

Adopted Quantities

ATTACHMENT D
Page 1 of 5
PARK WATER COMPANY
ADOPTED QUANTITIES

Net-to-Gross Multiplier	1.757550
Uncollectible Rate	0.75%
Franchise Fee	0.40%
Federal Tax Rate	34.00%
State Tax Rate	8.84%

	2013	2014	2015
Water Consumption (KCcf)			
Domestic Water Sales	4,794.6	4,805.0	4,815.3
Unaccounted Water (3.4%)	168.8	169.1	169.5
Total Domestic Production	4,963.4	4,974.1	4,984.8
Reclaimed Water Sales	113.4	113.4	113.4
Unaccounted Water (0.0%)	0.0	0.0	0.0
Total Reclaimed Production	113.4	113.4	113.4
Replenishment			
Replenishment (A.F.)	2,800	3,400	3,400
Replenishment Rate ($/A.F.)	244.00	244.00	244.00
Total Replenishment Charge	683,200	829,600	829,600
Leased Water Rights			
Leased Water AF	2,686.00	3,176.00	3,016.00
Cost per A.F. ($/A.F.)	160.00	160.00	160.00
Total Leased Water Rights Cost	429,760	508,160	482,560
Purchased Power			
Electric			
Total Cost ($)	181,108	201,538	201,538
Total Kilowatts (kWhs)	1,470,961	1,760,057	1,760,057
Cost/Kilowatt Hour	$0.12312	$0.11451	$0.11451
Gas			
Total Cost ($)	21,613	21,613	21,613
Total Therms	37,860	37,860	37,860
Cost/Therm	$0.57086	$0.57086	$0.57086
Total Purchased Power	202,721	223,151	223,151
Purchased Water			
Domestic Water			
Central Basin MWD	8,594	8,019	8,044
Usage Rate, per A.F.	$967	$967	$967
Total Usage Cost ($)	8,310,678	7,754,276	7,778,074
Charge per Month	5,475	5,475	5,475
Total Service Charge ($)	65,700	65,700	65,700
Minimum Flow Violation	42	42	42
Usage Rate, per A.F.	$967	$967	$967
Usage Cost ($)	40,614	40,614	40,614
Charge per Month	9,053	9,053	9,053

Total Capacity Reservation Charge ($)		108,636	108,636	108,636
Total Purchased Water Cost		8,525,628	7,969,226	7,993,024
<u>Reclaimed Water</u>				
Ccf		113,355	113,355	113,355
A.F.		260.23	260.23	260.23
Usage Rate, per A.F. -1st 25 A.F.	77 %	$536.00	$536.00	$536.00
Usage Rate, per A.F. - 2nd 25 A.F.	23 %	$536.00	$536.00	$536.00
Usage Rate, per A.F. - 3rd 25 A.F.	0%	$488.00	$488.00	$488.00
Total Reclaimed Water Cost		139,482	139,482	139,482
Total Purchased Water Cost ($)		8,665,110	8,108,708	8,132,506

ATTACHMENT D
Page 2 of 5
PARK WATER COMPANY
ADOPTED QUANTITIES
(Dollars in Thousands)

	2013	2014
Utility Plant In Service		
Beginning Of Year Balance	66,192.8	74,349.6
Additions	8,766.0	8,748.7
Retirements	609.2	627.5
End Of Year Balance	74,349.6	82,470.8
Average Balance	70,271.2	78,410.2
Depreciation Reserve		
Beginning Of Year Balance	19,319.5	20,882.3
Annual Accrual	2,210.6	2,407.6
Net Retirements	647.8	667.2
End Of Year Balance	20,882.3	22,622.7
Average Balance	20,100.9	21,752.5

Note: Unadjusted for General Plant Adjustments.

ATTACHMENT D
Page 3 of 5
PARK WATER COMPANY
ADOPTED QUANTITIES
(Dollars in Thousands)

RATE BASE SUMMARY	2013	2014
AVERAGE BALANCES		
PLANT IN SERVICE	67,755.0	75,841.8
WORK IN PROGRESS	0.0	148.8
MATERIALS & SUPPLIES	137.7	143.2
WORKING CASH	2,569.9	2,610.6
SUBTOTAL	70,462.7	78,744.4
LESS:		
DEPRECIATION RESERVE	19,435.3	21,047.6
ADVANCES	1,313.5	1,320.1
CONTRIBUTIONS	6,233.7	6,040.5
UNAMORTIZED ITC	54.0	47.0
DEFERRED INCOME TAX	6,883.0	6,851.6
SUBTOTAL	33,919.5	35,306.9
PLUS:		
METHOD 5 ADJUSTMENT	8.2	6.1
NET DISTRICT RATE BASE	36,551.3	43,443.5
MAIN OFFICE ALLOCATION	758.1	726.6
TOTAL RATE BASE	37,309.4	44,170.2

ATTACHMENT D
Page 4 of 5
PARK WATER COMPANY
ADOPTED QUANTITIES
TEST YEAR 2013
(Dollars in Thousands)

INCOME TAX CALCULATIONS	PRESENT RATES	AT AUTHORIZED RATE OF RETURN
OPERATING REVENUES	25,379.0	30,380.0
EXPENSES		
OPERATIONS & MAINTENANCE	14,190.2	14,190.2
UNCOLLECTIBLES .26%	190.3	227.9
ADMINISTRATIVE & GENERAL	7,956.7	7,956.7
FRANCHISE FEES .98%	101.5	121.5
AD VALOREM TAXES	409.8	409.8
PAYROLL TAXES	396.7	396.7
MEALS ADJUSTMENT	(9.7)	(9.7)
SUBTOTAL	23,235.5	23,293.0
DEDUCTIONS		
CA TAX	2,000.2	2,000.2
DEPRECIATION		
INTEREST	1,303.2	1,303.2
CA TAXABLE INCOME	(1,159.9)	3,783.5
CCFT @ 8.84%	(102.5)	334.5
DEDUCTIONS		
FED. TAX DEPRECIATION	1,750.3	1,750.3
INTEREST	(102.5)	(102.5)
CA TAX	1,303.2	1,303.2
QUALIFIED PROD. DEDUCTION	(9.4)	48.0
FIT TAXABLE INCOME	(798.2)	4,087.9
FIT (BEFORE ADJUSTMENT) 34.00%	(271.4)	1,389.9
PRORATED ADJUSTMENT		
INVESTMENT TAX CREDIT	6.4	6.4
NET FEDERAL INCOME TAX	(277.7)	1,383.5

ATTACHMENT D
Page 5 of 5
PARK WATER COMPANY
ADOPTED QUANTITIES

Number of Customers	**2013**	**2014**	**2015**
Residential	25,058	25,058	25,058
Business	1,672	1,672	1,672
Business	34	35	36
Industrial	3	3	3
Industrial	2	2	2
Public Authority	141	141	141
Public Authority	58	59	60
Private Fire Service	104	104	104
Private Fire Service	84	88	92
Private Fire Hydrants	11	11	11
Resale	2	2	2
Temporary	5	5	5
Irrigation-Reclaimed	26	26	26
Total	**27,200**	**27,206**	**27,212**

Water Sales (Ccfs)	**2013**	**2014**	**2015**
Residential bi-monthly	3,385,336	3,385,336	3,385,336
Business bi-monthly	868,270	868,270	868,270
Business monthly	247,418	254,695	261,972
Industrial bi-monthly	7,369	7,369	7,369
Industrial monthly	25,825	25,825	25,825
Public Authority bi-monthly	71,515	71,515	71,515
Public Authority monthly	178,530	181,608	184,686
Private Fire Service bi-monthly	557	557	557
Private Fire Service monthly	154	154	154
Private Fire Hydrants bi-monthly	0	0	0
Resale monthly	509	509	509
Temporary monthly	9,117	9,117	9,117
Irrigation-Reclaimed monthly	113,355	113,355	113,355
Total	**4,907,954**	**4,918,309**	**4,928,664**

Consumption per Customer (Ccf per Customer)	**2013**	**2014**	**2015**
Residential bi-monthly	135.1	135.1	135.1
Business bi-monthly	519.3	519.3	519.3
Business monthly	7,277.0	7,277.0	7,277.0
Industrial bi-monthly	2,456.3	2,456.3	2,456.3
Industrial monthly	12,912.5	12,912.5	12,912.5
Public Authority bi-monthly	507.2	507.2	507.2
Public Authority monthly	3,078.1	3,078.1	3,078.1
Private Fire Service bi-monthly	5.4	5.4	5.4
Private Fire Service monthly	1.8	1.8	1.8
Private Fire Hydrants bi-monthly	NA	NA	NA
Resale monthly	254.4	254.4	254.4
Temporary monthly	1,823.3	1,823.3	1,823.3
Irrigation-Reclaimed monthly	4,359.8	4,359.8	4,359.8

(END OF ATTACHMENT D)

ATTACHMENT E

Summary of Operating Expenses

ATTACHMENT E
Page 1 of 3
MAIN OFFICE
TEST YEAR 2013
SUMMARY OF OPERATING EXPENSES
(Dollars In Thousands)

	2013	**2014**
PAYROLL - CUSTOMERS	0.00	0.00
PAYROLL - MAINTENANCE	40.14	40.83
MAINTENANCE - OTHER	423.29	433.53
PAYROLL-CLEARINGS	33.66	34.24
CLEARINGS-OTHER	25.55	25.64
A & G PAYROLL	73.93	75.72
PAYROLL - BENEFITS (NON-P/R	4,039.49	4,108.98
INSURANCE	1,295.07	1,343.97
UNINSURED PROP. DAMAGE	95.46	97.11
REG. COM. EXPENSE	0.32	0.33
OUTSIDE SERVICES	30.29	30.81
OFFICE SUPPLIES	700.13	647.79
A & G TRANSFERRED	415.28	425.34
MISCELLANEOUS	(17.92)	(22.03)
PROPERTY TAXES	22.75	23.02
PAYROLL TAXES	235.74	239.79
DEPRECIATION	331.93	348.22
GRAND TOTAL	7,745.1	7,853.3
Allocation %	38.62%	38.62%
CB Allocation	2,990.8	3,032.6

ATTACHMENT E
Page 2 of 3
MAIN OFFICE
RATE BASE SUMMARY

	2013
AVERAGE BALANCES	
PLANT IN SERVICE	9,618.7
WORK IN PROGRESS	110.0
SUBTOTAL	9,728.7
LESS:	
DEPRECIATION RESERVE	7,073.4
UNAMORTIZED ITC	0.0
DEFERRED INCOME TAX	689.5
SUBTOTAL	7,762.9
NET MAIN OFFICE RATE BASE	1,965.8
2012 RATEBASE	1,960.0
WEIGHT-AVERAGE RATEBASE	1,962.9
FOUR FACTOR ALLOCATION	
Allocation %	38.62%
CB Allocation	758.0

ATTACHMENT E
Page 3 of 3
MAIN OFFICE
RATE BASE SUMMARY

	2014
AVERAGE BALANCES	
PLANT IN SERVICE	9,759.1
WORK IN PROGRESS	60.0
SUBTOTAL	9,819.1
LESS:	
DEPRECIATION RESERVE	7,268.1
UNAMORTIZED ITC	0.0
DEFERRED INCOME TAX	753.9
SUBTOTAL	8,022.0
NET MAIN OFFICE RATE BASE	1,797.1
2013 RATEBASE	1,965.8
WEIGHT-AVERAGE RATEBASE	1,881.5
FOUR FACTOR ALLOCATION	
Allocation %	38.62%
CB Allocation	726.5

(END OF ATTACHMENT E)