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San Gabriel Valley Water Company
Fontana Water Company Division
(Dollars in Thousands)

	TY 06-07	EY 07-08	EY 08-09	3 Years
Alternate Proposed Decision				
Present Rates	$43,588.8			
Adopted Rates	$41,938.8	$44,646.8	$46,641.4	
Increase	($1,650.0)	$2,708.0	$1,994.6	$3,052.6
% Increase	-3.8%	6.5%	4.5%	7.0%
Gain on Sale Refunds				($719.1)
SUBTOTAL Increase				$2,333.5
% Increase				5.4%
Advice Letter Revenues (1)				
Sandhill Upgrade @ $23 million				$5,000.0
SUBTOTAL Increase				$7,333.5
% Increase				16.8%
New Office Complex @ $4.9 million				$1,100.0
SUBTOTAL Increase				$8,433.5
% Increase				19.3%
Facilities Fee Revenues (2)				
Exhibit 62A (DRA)	($645.8)	($1,926.5)	($3,176.9)	($5,749.3)
TOTAL 3-YEAR INCREASE				$2,684.2
% Increase				6.2%

(1) In Paragraph 19 of its application, San Gabriel forecasted an estimated $6.1 million in advice letter revenue increases based on capital costs of $22 million ($34 million - $12 million) for Sandhill and $6 million for the new Office Complex, and a 10.8% return on rate base. Using these same figures, the advice letter revenues can be updated as follows:
$23 million x $6.1 million/$28 million = $5.0 million
$4.9 million x $6.1 million/$28 million = $1.1 million

(2) Facilities Fee revenues are likely to be greater than shown because Exhibit 62A uses only a $5,000 fee for all new connections while the APD would provide for higher fees for connections of 1" or greater.