

**ATTACHMENT A**  
**STIPULATION**

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

In the matter of the Application of the  
**SOUTHERN CALIFORNIA WATER COMPANY**  
**(U 133 W)** for an order authorizing it to increase  
rates for water service in 2004 in its Region 1  
Customer Service Areas by \$179,200 or 2.62% in  
Arden-Cordova CSA; \$93,400 or 1.98% in the Bay  
Point CSA; \$115,900 or 4.55% in the Ojai CSA;  
and various other relief.

Application No.  
03-10-057

**STIPULATION**

**1.00 Introduction**

1.01 This general rate application was the result of Southern California Water Company (SCWC) and the Office of Ratepayer Advocates' (ORA) agreed upon procedure whereby SCWC would file a mini GRC for a single test year (2004) to bridge the gap between the end of its Region 1 three year rate cycle in 2003 and the filing of its Test Years 2005-2006 GRC to be filed January 2004. The mini GRC consists of a single test year for a portion of Region 1 Customer Service Areas (CSA) and extends eligibility to record and recover supply expenses in "memorandum-type" balancing accounts and file advice letter requests to amortize those accounts for all Region 1 CSAs for the year 2004.

It was also necessary for SCWC to address the amortization of the Arden-Cordova CSA Litigation Memorandum Account for the contamination litigation expenses due to Commission Resolution No. W-4181 (ordering paragraph 3 and 4). Resolution W-4181 provides that SCWC can not recover expenditures incurred prior to 36 months of filing for recovery. The Resolution also provides that the memorandum account will expire on January 1, 2005.

An additional issue in this proceeding was the recovery, in the Simi Valley CSA, of changes in the wholesale water supply costs under a new two-tier rate design by Calleguas Municipal Water District (CMWD).

1.02 The parties to this Stipulation are SCWC and the Office of Ratepayer Advocates (ORA) of the Commission, collectively referred to as the "Parties".

1.03 ORA conducted an independent review of SCWC's application. As part of this review a field tour was conducted and Public Participation Hearings were held in the city of Rancho Cordova on March 17, 2004 for the Arden-Cordova CSA. ORA submitted reports, dated May 3, 2004, indicating areas of disagreement with SCWC's application. Subsequently, the Parties met to discuss the differences between SCWC's application and ORA's reports. Those negotiations resulted in the resolution of the issues set forth below.

1.04 This document contains a description of the stipulated issues. Appendix A to this Stipulation shows a summary of earnings comparison for SCWC and ORA based on stipulated items both from SCWC's position and ORA's position.

1.05 Attached to this Stipulation is the following appendix:

Appendix A – Summary of Earnings  
Appendix B – Rate Impact

2.00 **Revenues**

2.01 The parties agree that the revenues requested by SCWC in Arden-Cordova and Bay Point are reasonable and that Ojai should be reduced slightly as shown in the table below. The Parties agree that the latest rate of return and inflation rates should be used. The adjustments ORA recommended to SCWC's revenues were to update SCWC's rate of return from 8.94% to 8.77% to reflect SCWC's recent Region 3 GRC decision (D. 04-03-039) and update SCWC's inflation adjustment to reflect current inflation rates. The Parties used the same methodology to determine the inflation adjustment. In SCWC's application and ORA's report the latest available inflation rates were used at the time each report was completed, August 2003 and December 2003 respectively.

2.02 The Parties agree that it would be proper to use the inflation rates available at the time of this stipulation. However, if April 2004 inflation rates were used to determine the inflation adjustment revenues, Arden-Cordova and Bay Point would increase to a level greater than the amount requested and noticed in this application. Therefore the parties agree to an inflation adjustment that would cap the revenue increase to the amount requested by SCWC in the application for Arden-Cordova and Bay Point (see Compounded Composite Inflation Factor Table below).

Compounded Composite Inflation Factor Table 1/  
CSA

	SCWC Filed	ORA Report	April 2004	Stipulated
Arden-Cordova	4.40%	4.47%	6.20%	5.60%
Bay Point	5.30%	5.64%	7.40%	7.00%
Ojai	1.70%	1.94%	3.30%	3.30%

1/ Note that the compounding of the composite inflation factors are different for each CSA: two years for Arden-Cordova, three years for Bay Point, and one year for Ojai. Different composite factors were necessary in order to bring the most recent Commission adopted expenses to 2004 levels.

The revenue increase for Ojai using the current inflation would result in a lower than requested revenue increase. The Parties stipulate to the following revenue increases:

	2004			
<u>CSA</u>	<u>SCWC</u>	<u>ORA</u>		<u>Stipulated</u>
Arden-Cordova	\$179,200	\$154,000		\$179,200
Bay Point	\$93,400	\$82,000		\$93,400
Ojai	\$115,900	\$103,600		\$109,500
Total	\$388,500	\$339,600		\$382,100

3.00 **Arden-Cordova CSA Litigation Memorandum Account**

3.01 On February 3, 2000, the Commission issued Resolution No. W-4181 authorizing the establishment of a Memorandum Account to record, among other things, costs associated with two water contamination lawsuits filed by SCWC. The first lawsuit is American States Water and Southern California Water Company versus Aerojet General Corporation and Cordova Chemical Company (Aerojet). The second lawsuit is American States Water (ASW) and SCWC versus California Water Resources Control Board, Central Valley Region, and Department of Toxic Substances Control.

3.02 Because Southern California Water Company has been unable to reach a final settlement of both lawsuits at this time, the Parties agree to request from the Commission that an additional phase be implemented in this proceeding to address all issues associated with the litigation memorandum account. These issues include, but are not necessarily limited to: the treatment of a potential shortfall in recovery from Aerojet by Southern California Water Company of all expenses booked into the memorandum account; the accounting treatment of the funds in the account, which could include the potential amortization of the account; and a determination as to whether the ratepayers or shareholders should bear the responsibility for helping Southern California Water Company recover the expenses recorded in the memorandum account. The Parties agree that there is insufficient evidence in the record for the Commission to make a decision on these issues, thereby justifying another phase.

3.03 The Parties agree that SCWC has complied with ordering paragraph 3 of Resolution No. W-4181. SCWC has not included in the memorandum account expenses incurred prior to 36 months of filing for recovery. SCWC filed the Notice of Intention on January 31, 2003 and expenses in the memorandum account began on February 1, 2000.

3.04 The Parties also agree that the expiration date of January 1, 2005 for the memorandum account contained in ordering paragraph 4 of Resolution No. W-4181 should be extended beyond January 1, 2005 pending further resolution of the memorandum account issues in this proceeding. Accordingly, the parties request that the Commission issue an order to that affect.

#### 4.00 **Simi Valley Purchased Water Memorandum Account**

4.01 ORA has reviewed the Calleguas MWD water supply contract. The Parties agree that SCWC is authorized to sign the 10-year contract if Calleguas MWD is still offering the contract to SCWC at the time of the Commission decision. Secondly, if the contract is executed, SCWC is allowed to capture the new contracted rate methodology including the supply cost changes in the Simi Valley Purchased Water Memorandum Account. If the Calleguas MWD water supply contract is no longer available the Parties agreed that SCWC is allowed to capture in the Simi Valley Purchased Water Memorandum Account Calleguas MWD's new rate structure including the tier two rate.

#### 5.00 **Interim Rates**

5.01 The Parties agree that SCWC shall file an advice letter to institute a surcharge or surcredit to adjust SCWC revenues to recover or refund the difference of what SCWC billed during the time interim rates were in effect and the revenues SCWC is entitled to bill retroactive to the first day of the first test year. The surcharge or surcredit shall be applied such that the difference shall be amortized over the remaining portion of the year the commission decision is issued or a twelve-month period as determined by SCWC.

#### 6.00 **Other**

6.01 The Parties agree that neither signatory to this Stipulation nor any member of ORA or SCWC assumes any personal liability as a result of this Stipulation. The Parties agree that no legal action may be brought in any state or federal court or in any other forum against any individual signatory representing the interests of the Parties, attorneys representing the Parties, or the Parties themselves involving any matter related to this

Stipulation. All rights and remedies of the Parties are limited to those available before the Commission.

6.02

Ordering Paragraph - ORA and SCWC agree that this document reflects a significant effort by both parties to resolve differences and stipulate to issues. The Parties agree that SCWC is entitled to all of the components contained in this Stipulation and that to the extent the Stipulation remains unchanged by the Commission that the Commission shall include ordering paragraphs authorizing the implementation of all components of this Stipulation. To the extent any component of this Stipulation is changed by Commission decision the Parties request that the unchanged portions be approved and likewise referenced in ordering paragraphs. The Parties agree that the Commission is not required to include ordering paragraphs in its decision specifically addressing each component of this Stipulation. Any Commission modifications do not nullify the remainder of this Stipulation.

Dated: June 3, 2004

Dated: June 3, 2004



SUNG B. HAN

Office of Ratepayer Advocates  
**California Public Utilities Commission**  
505 Van Ness Avenue  
San Francisco, CA 94102  
(415) 703-1578



ROLAND S. TANNER

Manager of Regulatory Affairs  
**Southern California Water Company**  
630 East Foothill Boulevard  
San Dimas, CA 91773  
(909) 394-3600

**SOUTHERN CALIFORNIA WATER COMPANY**  
**FUNCTIONAL SUMMARY of EARNINGS-ESTIMATED YEARS**

**ARDEN CORDOVA CSA**  
**(\$ in thousands)**

**Test Year 2004**

	CPUC WUDF ACCT.	SCWC	ORA	Settlement
615.00	OPERATING REVENUES	7,022.2	6,997.0	7,022.2
	OPERATION EXPENSES			
704.00	Purchased Water	0.0	0.0	0.0
726.00	Purchased Power	577.9	577.9	577.9
735.00	Pump Taxes	0.0	0.0	0.0
	TOTAL SUPPLY EXPENSES	577.9	577.9	577.9
	REVENUE LESS SUPPLY EXPENSES	6,444.3	6,419.1	6,444.3
744.00	Chemicals	71.0	71.0	71.8
773.01	Common Cust. Account	183.3	183.4	185.4
773.25	Postage	0.0	0.0	0.0
775.00	Uncollectibles	19.6	19.6	19.6
780.00	Operation Labor	401.3	401.6	405.9
781.00	All Other Operation Exp.	219.0	219.2	221.6
786.00	TOTAL OPERATION EXPENSES	1,472.2	1,472.8	1,482.2
787.00	Maintenance Labor	60.2	60.3	60.9
788.00	All Other Maint. Exp.	120.9	121.0	122.3
789.00	TOTAL MAINTENANCE EXPENSES	181.1	181.3	183.2
790.00	TOTAL O&M EXCLUDING A&G	1,653.3	1,654.0	1,665.5
792.00	Off. Supplies and Expenses	149.7	149.8	151.4
793.00	Property Insurance	0.0	0.0	0.0
794.00	Injuries and Damages	0.0	0.0	0.0
795.00	Pensions and Benefits	21.1	21.1	21.3
796.00	Business Meals	5.8	5.9	5.9
797.00	Regulatory Comm Expenses	39.5	39.5	39.9
798.00	Outside Services	5.0	5.0	5.1
799.00	Miscellaneous	36.2	36.3	36.6
799.10	Alloc. General Office	1,039.7	1,040.4	1,051.7
805.00	All Other Maint. General Plant	16.4	16.4	16.6
811.00	Rent	76.4	76.5	77.3
812.00	A&G Expense Capitalized	0.0	0.0	0.0
815.00	A&G Labor	231.0	231.2	233.7
817.00	TOTAL ADMIN. & GENERAL EXPENSES	1,620.9	1,622.0	1,639.6
503.00	DEPRECIATION AND AMORTIZATION	1,280.5	1,281.4	1,295.3
507.10	Property Taxes	207.5	207.5	209.9
507.20	Payroll Taxes	54.8	54.8	55.4
507.30	Local Taxes	33.3	33.3	33.3
507.40	TOTAL TAXES NOT ON INCOME	295.5	295.5	298.6
820.00	TOTAL EXPENSE EXCLUDING INCOME TAX	4,850.3	4,852.9	4,898.9
825.00	NET OPERATING REV. BEFORE INCOME TAX	2,171.9	2,144.1	2,123.3
	INCOME TAXES			
	State Income Tax	99.7	99.7	95.4
	Federal Income Tax	560.0	560.0	542.9
	TOTAL INCOME TAXES	659.7	659.7	638.4
	TOTAL OPERATING EXPENSES	5,510.0	5,512.6	5,537.3
	NET OPERATING REVENUE	1,512.2	1,484.4	1,484.9
	RATE BASE	16,922.7	16,922.7	16,922.7
	RATE OF RETURN - PERCENT	8.94%	8.77%	8.77%

**SOUTHERN CALIFORNIA WATER COMPANY**  
**FUNCTIONAL SUMMARY of EARNINGS-ESTIMATED YEARS**

**BAY POINT CSA**  
**(\$ in thousands)**

**Test Year 2004**

	CPUC WUDF ACCT.	SCWC	ORA	Settlement
615.00	OPERATING REVENUES	4,822.4	4,811.0	4,822.4
	OPERATION EXPENSES			
704.00	Purchased Water	1,485.4	1,485.4	1,485.4
726.00	Purchased Power	107.8	107.8	107.8
735.00	Pump Taxes	0.0	0.0	0.0
	TOTAL SUPPLY EXPENSES	1,593.2	1,593.2	1,593.2
	REVENUE LESS SUPPLY EXPENSES	3,229.2	3,217.8	3,229.2
744.00	Chemicals	91.0	91.3	92.4
773.01	Common Cust. Account	45.0	45.1	45.7
773.25	Postage	0.0	0.0	0.0
775.00	Uncollectibles	42.7	42.7	42.7
780.00	Operation Labor	230.8	231.6	234.5
781.00	All Other Operation Exp.	106.0	106.4	107.7
786.00	TOTAL OPERATION EXPENSES	2,108.7	2,110.2	2,116.3
787.00	Maintenance Labor	43.6	43.7	44.3
788.00	All Other Maint. Exp.	118.0	118.4	119.9
789.00	TOTAL MAINTENANCE EXPENSES	161.6	162.2	164.2
790.00	TOTAL O&M EXCLUDING A&G	2,270.4	2,272.4	2,280.6
792.00	Off. Supplies and Expenses	88.5	88.7	89.9
793.00	Property Insurance	0.0	0.0	0.0
794.00	Injuries and Damages	0.0	0.0	0.0
795.00	Pensions and Benefits	6.1	6.1	6.2
796.00	Business Meals	2.4	2.4	2.5
797.00	Regulatory Comm Expenses	19.2	19.2	19.5
798.00	Outside Services	1.3	1.3	1.3
799.00	Miscellaneous	1.3	1.3	1.3
799.10	Alloc. General Office	255.0	255.9	259.2
805.00	All Other Maint. General Plant	24.9	24.9	25.3
811.00	Rent	33.3	33.4	33.8
812.00	A&G Expense Capitalized	0.0	0.0	0.0
815.00	A&G Labor	95.6	95.9	97.2
817.00	TOTAL ADMIN. & GENERAL EXPENSES	527.4	529.1	536.0
503.00	DEPRECIATION AND AMORTIZATION	537.3	539.1	546.0
507.10	Property Taxes	88.7	88.7	90.2
507.20	Payroll Taxes	29.3	29.3	29.7
507.30	Local Taxes	57.7	57.7	57.7
507.40	TOTAL TAXES NOT ON INCOME	175.7	175.7	177.6
820.00	TOTAL EXPENSE EXCLUDING INCOME TAX	3,510.9	3,516.3	3,540.2
825.00	NET OPERATING REV. BEFORE INCOME TAX	1,311.5	1,294.7	1,282.2
	INCOME TAXES			
	State Income Tax	79.6	79.6	77.0
	Federal Income Tax	336.6	336.6	326.3
	TOTAL INCOME TAXES	416.1	416.1	403.3
	TOTAL OPERATING EXPENSES	3,927.0	3,932.5	3,943.5
	NET OPERATING REVENUE	895.4	878.5	878.9
	RATE BASE	10,017.5	10,017.5	10,017.5
	RATE OF RETURN - PERCENT	8.94%	8.77%	8.77%

**SOUTHERN CALIFORNIA WATER COMPANY**  
**FUNCTIONAL SUMMARY of EARNINGS-ESTIMATED YEARS**

**OJAI CSA**  
**(\$ in thousands)**

**Test Year 2004**

		<b>SCWC</b>	<b>ORA</b>	<b>Settlement</b>
CPUC				
WUDF				
ACCT.				
615.00	<b>OPERATING REVENUES</b>	<b>2,664.3</b>	<b>2,652.0</b>	<b>2,657.9</b>
	<b>OPERATION EXPENSES</b>			
704.00	Purchased Water	135.0	135.0	135.0
726.00	Purchased Power	213.1	213.1	213.1
735.00	Pump Taxes	15.0	15.0	15.0
	<b>TOTAL SUPPLY EXPENSES</b>	<b>363.1</b>	<b>363.1</b>	<b>363.1</b>
	<b>REVENUE LESS SUPPLY EXPENSES</b>	<b>2,301.2</b>	<b>2,288.9</b>	<b>2,294.8</b>
744.00	Chemicals	8.1	8.2	8.3
773.01	Common Cust. Account	38.3	38.4	38.9
773.25	Postage	0.0	0.0	0.0
775.00	Uncollectibles	5.3	5.3	5.3
780.00	Operation Labor	227.3	227.8	230.9
781.00	All Other Operation Exp.	59.3	59.4	60.2
786.00	<b>TOTAL OPERATION EXPENSES</b>	<b>701.5</b>	<b>702.3</b>	<b>706.7</b>
787.00	Maintenance Labor	44.5	44.6	45.2
788.00	All Other Maint. Exp.	119.9	120.2	121.8
789.00	<b>TOTAL MAINTENANCE EXPENSES</b>	<b>164.4</b>	<b>164.8</b>	<b>167.0</b>
790.00	<b>TOTAL O&amp;M EXCLUDING A&amp;G</b>	<b>866.0</b>	<b>867.1</b>	<b>873.8</b>
792.00	Off. Supplies and Expenses	39.1	39.1	39.7
793.00	Property Insurance	0.0	0.0	0.0
794.00	Injuries and Damages	1.2	1.2	1.2
795.00	Pensions and Benefits	4.4	4.4	4.4
796.00	Business Meals	0.9	0.9	0.9
797.00	Regulatory Comm Expenses	8.8	8.9	9.0
798.00	Outside Services	1.2	1.2	1.2
799.00	Miscellaneous	11.0	11.0	11.2
799.10	Alloc. General Office	215.9	216.4	219.3
805.00	All Other Maint. General Plant	6.1	6.1	6.2
811.00	Rent	32.3	32.4	32.8
812.00	A&G Expense Capitalized	0.0	0.0	0.0
815.00	A&G Labor	36.0	36.1	36.6
817.00	<b>TOTAL ADMIN. &amp; GENERAL EXPENSES</b>	<b>357.0</b>	<b>357.8</b>	<b>362.6</b>
503.00	<b>DEPRECIATION AND AMORTIZATION</b>	<b>261.3</b>	<b>261.9</b>	<b>265.4</b>
507.10	Property Taxes	44.5	44.5	45.7
507.20	Payroll Taxes	31.7	31.7	32.2
507.30	Local Taxes	41.5	41.5	41.4
507.40	<b>TOTAL TAXES NOT ON INCOME</b>	<b>117.7</b>	<b>117.7</b>	<b>119.4</b>
820.00	<b>TOTAL EXPENSE EXCLUDING INCOME TAX</b>	<b>1,602.0</b>	<b>1,604.6</b>	<b>1,621.2</b>
825.00	<b>NET OPERATING REV. BEFORE INCOME TAX</b>	<b>1,062.3</b>	<b>1,047.4</b>	<b>1,036.7</b>
	<b>INCOME TAXES</b>			
	State Income Tax	61.1	61.1	58.9
	Federal Income Tax	227.0	227.0	218.1
	<b>TOTAL INCOME TAXES</b>	<b>288.2</b>	<b>288.2</b>	<b>277.0</b>
	<b>TOTAL OPERATING EXPENSES</b>	<b>1,890.2</b>	<b>1,892.8</b>	<b>1,898.1</b>
	<b>NET OPERATING REVENUE</b>	<b>774.1</b>	<b>759.2</b>	<b>759.8</b>
	<b>RATE BASE</b>	<b>8,660.7</b>	<b>8,660.7</b>	<b>8,660.7</b>
	<b>RATE OF RETURN - PERCENT</b>	<b>8.94%</b>	<b>8.77%</b>	<b>8.77%</b>

Southern California Water Company  
A.03-10-057

Settlement Impact on Typical Customer

	Filed Revenue		Stipulated Revenue		Filed Bill Impact 1/		Stipulated Bill Impact 1/	
AC-1 - 116 Ccf	\$179,200	2.62%	\$179,200	2.62%	\$1.74	2.70%	\$1.74	2.70%
AC-2 Flat Rate					\$0.85	3.04%	\$0.85	3.04%
BY-1 - 16 Ccf	\$93,400	1.98%	\$93,400	1.98%	\$0.77	1.14%	\$0.77	1.14%
OJ-1 - 26 Ccf	\$115,900	4.55%	\$109,500	4.30%	\$3.98	6.86%	\$3.84	6.63%
OJ-7ML - 62 Ccf					\$6.69	7.41%	\$6.44	7.14%

1/ Bill Impact is measured on rates before interim rates were implemented.

# **ATTACHMENT B**

**SOUTHERN CALIFORNIA WATER COMPANY**  
**SUMMARY of EARNINGS**  
**A.03-10-057**  
**ARDEN CORDOVA CSA**  
**(\$ in thousands)**

Test Year 2004

	CPUC	SCWC	ORA	Adopted
WUDF ACCT.				
615.00 OPERATING REVENUES		7,022.2	6,997.0	7,022.2
OPERATION EXPENSES				
704.00 Purchased Water		0.0	0.0	0.0
726.00 Purchased Power		577.9	577.9	577.9
735.00 Pump Taxes		0.0	0.0	0.0
TOTAL SUPPLY EXPENSES		577.9	577.9	577.9
REVENUE LESS SUPPLY EXPENSES		6,444.3	6,419.1	6,444.3
744.00 Chemicals		71.0	71.0	71.8
773.01 Common Cust. Account		183.3	183.4	185.4
773.25 Postage		0.0	0.0	0.0
775.00 Uncollectibles		19.6	19.6	19.6
780.00 Operation Labor		401.3	401.6	405.9
781.00 All Other Operation Exp.		219.0	219.2	221.6
786.00 TOTAL OPERATION EXPENSES		1,472.2	1,472.8	1,482.2
787.00 Maintenance Labor		60.2	60.3	60.9
788.00 All Other Maint. Exp.		120.9	121.0	122.3
789.00 TOTAL MAINTENANCE EXPENSES		181.1	181.3	183.2
790.00 TOTAL O&M EXCLUDING A&G		1,653.3	1,654.0	1,665.5
792.00 Off. Supplies and Expenses		149.7	149.8	151.4
793.00 Property Insurance		0.0	0.0	0.0
794.00 Injuries and Damages		0.0	0.0	0.0
795.00 Pensions and Benefits		21.1	21.1	21.3
796.00 Business Meals		5.8	5.9	5.9
797.00 Regulatory Comm Expenses		39.5	39.5	39.9
798.00 Outside Services		5.0	5.0	5.1
799.00 Miscellaneous		36.2	36.3	36.6
799.10 Alloc. General Office		1,039.7	1,040.4	1,051.7
805.00 All Other Maint. General Plant		16.4	16.4	16.6
811.00 Rent		76.4	76.5	77.3
812.00 A&G Expense Capitalized		0.0	0.0	0.0
815.00 A&G Labor		231.0	231.2	233.7
817.00 TOTAL ADMIN. & GENERAL EXPENSES		1,620.9	1,622.0	1,639.6
503.00 DEPRECIATION AND AMORTIZATION		1,280.5	1,281.4	1,295.3
507.10 Property Taxes		207.5	207.5	209.9
507.20 Payroll Taxes		54.8	54.8	55.4
507.30 Local Taxes		33.3	33.3	33.3
507.40 TOTAL TAXES NOT ON INCOME		295.5	295.5	298.6
820.00 TOTAL EXPENSE EXCLUDING INCOME TAX		4,850.3	4,852.9	4,898.9
825.00 NET OPERATING REV. BEFORE INCOME TAX		2,171.9	2,144.1	2,123.3
INCOME TAXES				
State Income Tax		99.7	99.7	95.4
Federal Income Tax		560.0	560.0	542.9
TOTAL INCOME TAXES		659.7	659.7	638.4
TOTAL OPERATING EXPENSES		5,510.0	5,512.6	5,537.3
NET OPERATING REVENUE		1,512.2	1,484.4	1,484.9
RATE BASE		16,922.7	16,922.7	16,922.7
RATE OF RETURN - PERCENT		8.94%	8.77%	8.77%

SOUTHERN CALIFORNIA WATER COMPANY  
SUMMARY of EARNINGS

A.03-10-057  
BAY POINT CSA  
(\$ in thousands)

Test Year 2004

CPUC WUDF ACCT.		SCWC	ORA	Adopted
615.00	OPERATING REVENUES	4,822.4	4,811.0	4,822.4
	OPERATION EXPENSES			
704.00	Purchased Water	1,485.4	1,485.4	1,475.2
726.00	Purchased Power	107.8	107.8	118.0
735.00	Pump Taxes	0.0	0.0	0.0
	TOTAL SUPPLY EXPENSES	1,593.2	1,593.2	1,593.2
	REVENUE LESS SUPPLY EXPENSES	3,229.2	3,217.8	3,229.2
744.00	Chemicals	91.0	91.3	92.4
773.01	Common Cust. Account	45.0	45.1	45.7
773.25	Postage	0.0	0.0	0.0
775.00	Uncollectibles	42.7	42.7	42.7
780.00	Operation Labor	230.8	231.6	234.5
781.00	All Other Operation Exp.	106.0	106.4	107.7
786.00	TOTAL OPERATION EXPENSES	2,108.7	2,110.2	2,116.3
787.00	Maintenance Labor	43.6	43.7	44.3
788.00	All Other Maint. Exp.	118.0	118.4	119.9
789.00	TOTAL MAINTENANCE EXPENSES	161.6	162.2	164.2
790.00	TOTAL O&M EXCLUDING A&G	2,270.4	2,272.4	2,280.6
792.00	Off. Supplies and Expenses	88.5	88.7	89.9
793.00	Property Insurance	0.0	0.0	0.0
794.00	Injuries and Damages	0.0	0.0	0.0
795.00	Pensions and Benefits	6.1	6.1	6.2
796.00	Business Meals	2.4	2.4	2.5
797.00	Regulatory Comm Expenses	19.2	19.2	19.5
798.00	Outside Services	1.3	1.3	1.3
799.00	Miscellaneous	1.3	1.3	1.3
799.10	Alloc. General Office	255.0	255.9	259.2
805.00	All Other Maint. General Plant	24.9	24.9	25.3
811.00	Rent	33.3	33.4	33.8
812.00	A&G Expense Capitalized	0.0	0.0	0.0
815.00	A&G Labor	95.6	95.9	97.2
817.00	TOTAL ADMIN. & GENERAL EXPENSES	527.4	529.1	536.0
503.00	DEPRECIATION AND AMORTIZATION	537.3	539.1	546.0
507.10	Property Taxes	88.7	88.7	90.2
507.20	Payroll Taxes	29.3	29.3	29.7
507.30	Local Taxes	57.7	57.7	57.7
507.40	TOTAL TAXES NOT ON INCOME	175.7	175.7	177.6
820.00	TOTAL EXPENSE EXCLUDING INCOME TAX	3,510.9	3,516.3	3,540.2
825.00	NET OPERATING REV. BEFORE INCOME TAX	1,311.5	1,294.7	1,282.2
	INCOME TAXES			
	State Income Tax	79.6	79.6	77.0
	Federal Income Tax	336.6	336.6	326.3
	TOTAL INCOME TAXES	416.1	416.1	403.3
	TOTAL OPERATING EXPENSES	3,927.0	3,932.5	3,943.5
	NET OPERATING REVENUE	895.4	878.5	878.9
	RATE BASE	10,017.5	10,017.5	10,017.5
	RATE OF RETURN - PERCENT	8.94%	8.77%	8.77%

**SOUTHERN CALIFORNIA WATER COMPANY**  
**SUMMARY of EARNINGS**  
**A.03-10-057**  
**OJAI CSA**  
**(\$ in thousands)**

**Test Year 2004**

	CPUC WUDF ACCT.	SCWC	ORA	Adopted
615.00	OPERATING REVENUES	2,664.3	2,652.0	2,657.9
	OPERATION EXPENSES			
704.00	Purchased Water	135.0	135.0	135.0
726.00	Purchased Power	213.1	213.1	213.1
735.00	Pump Taxes	15.0	15.0	15.0
	TOTAL SUPPLY EXPENSES	363.1	363.1	363.1
	REVENUE LESS SUPPLY EXPENSES	2,301.2	2,288.9	2,294.8
744.00	Chemicals	8.1	8.2	8.3
773.01	Common Cust. Account	38.3	38.4	38.9
773.25	Postage	0.0	0.0	0.0
775.00	Uncollectibles	5.3	5.3	5.3
780.00	Operation Labor	227.3	227.8	230.9
781.00	All Other Operation Exp.	59.3	59.4	60.2
786.00	TOTAL OPERATION EXPENSES	701.5	702.3	706.7
787.00	Maintenance Labor	44.5	44.6	45.2
788.00	All Other Maint. Exp.	119.9	120.2	121.8
789.00	TOTAL MAINTENANCE EXPENSES	164.4	164.8	167.0
790.00	TOTAL O&M EXCLUDING A&G	866.0	867.1	873.8
792.00	Off. Supplies and Expenses	39.1	39.1	39.7
793.00	Property Insurance	0.0	0.0	0.0
794.00	Injuries and Damages	1.2	1.2	1.2
795.00	Pensions and Benefits	4.4	4.4	4.4
796.00	Business Meals	0.9	0.9	0.9
797.00	Regulatory Comm Expenses	8.8	8.9	9.0
798.00	Outside Services	1.2	1.2	1.2
799.00	Miscellaneous	11.0	11.0	11.2
799.10	Alloc. General Office	215.9	216.4	219.3
805.00	All Other Maint. General Plant	6.1	6.1	6.2
811.00	Rent	32.3	32.4	32.8
812.00	A&G Expense Capitalized	0.0	0.0	0.0
815.00	A&G Labor	36.0	36.1	36.6
817.00	TOTAL ADMIN. & GENERAL EXPENSES	357.0	357.8	362.6
503.00	DEPRECIATION AND AMORTIZATION	261.3	261.9	265.4
507.10	Property Taxes	44.5	44.5	45.7
507.20	Payroll Taxes	31.7	31.7	32.2
507.30	Local Taxes	41.5	41.5	41.4
507.40	TOTAL TAXES NOT ON INCOME	117.7	117.7	119.4
820.00	TOTAL EXPENSE EXCLUDING INCOME TAX	1,602.0	1,604.6	1,621.2
825.00	NET OPERATING REV. BEFORE INCOME TAX	1,062.3	1,047.4	1,036.7
	INCOME TAXES			
	State Income Tax	61.1	61.1	58.9
	Federal Income Tax	227.0	227.0	218.1
	TOTAL INCOME TAXES	288.2	288.2	277.0
	TOTAL OPERATING EXPENSES	1,890.2	1,892.8	1,898.1
	NET OPERATING REVENUE	774.1	759.2	759.8
	RATE BASE	8,660.7	8,660.7	8,660.7
	RATE OF RETURN - PERCENT	8.94%	8.77%	8.77%

Schedule No. AC-1

Arden-Cordova Customer Service Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all general metered water service.

TERRITORY

Arden Manor area located approximately six miles northeast of Sacramento and Rancho Cordova and vicinity, Sacramento County.

<u>Rates</u>	<u>Per Meter Per Month</u>
Quantity Rates:	
For all water delivered, per 100 cu. ft. ....	\$0.420 (I)
Service Charge:	
For 5/8 x 3/4-inch meter.....	\$ 7.00 (D)
For 3/4-inch meter.....	\$10.50 (D)
For 1-inch meter.....	\$17.45 (D)
For 1-1/2-inch meter.....	\$ 34.95 (D)
For 2-inch meter.....	\$ 55.90 (D)
For 3-inch meter.....	\$105.00 (D)
For 4-inch meter.....	\$175.00 (D)
For 6-inch meter.....	\$349.00 (D)
For 8-inch meter.....	\$559.00 (D)
For 10-inch meter.....	\$803.00 (D)

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

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. Service with 5/8 x 3/4-inch meters and 3/4-inch meters is available only to customers served with 5/8 x 3/4-inch and 3/4-inch meters as of the effective date of Advice Letter No. 945-W.
3. Due to the undercollection in the Water Quality Litigation Memorandum Account, a sur-charge of \$0.0419 per Ccf is to be added to the Quantity Rate for a 72-month period, ending on April 27, 2007.
4. Due to the undercollection in the Water Quality OII Memorandum Account, a sur-charge of \$0.010 per Ccf is to be added to the Quantity Rate for a 12-month period, beginning with the effective date of Advice Letter 1143-WA.
5. As authorized by the California Public Utilities Commission in Decision 04-03-039, all bills are subject to a surcredit \$0.0788 per Ccf for a 9-year amortization period, beginning on the effective date of Advice Letter 1150-W. This surcredit will refund the ratepayer portion of the revenues collected from the City of Folsom for the period of July 1, 1994 through March 16, 2004.

Schedule No. AC-2

Arden-Cordova Customer Service Area

FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate water service. This schedule is closed to new installations.

TERRITORY

Arden Manor area located approximately six miles northeast of Sacramento and Rancho Cordova and vicinity, Sacramento County.

<u>Rates</u>	<u>Per Service Connection Per Month</u>
For a single unit of occupancy, including Premises not exceeding 12,000 sq. ft. in area.....	\$28.80 (I)
For a duplex including premises not exceeding 12,000 sq. ft. in area.....	\$57.45 (I)
a. For each additional detached unit of occupancy on the same Premises and served from the same service connection.....	\$28.80 (I)
b. For each swimming pool equipped with a recirculating Filter system, on the same premises and served from The same service connection.....	\$6.45 (I)

SPECIAL CONDITIONS

1. The above flat rates apply to service connections not larger than one inch in diameter.
2. For service covered by the above classification, if either the utility or the customer So elects, a meter shall be installed and service provided under Schedule No. AC-1, General Metered Service.
3. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
4. Due to the undercollection in the Water Quality Litigation memorandum Account, a Surcharge of \$1.16 is to be added to the monthly service connection charge for a 72-month Period, ending on April 27, 2007.
5. Due to the undercollection in the Water Quality Oll Memorandum Account, a surcharge of \$0.27 is to be added to the monthly service connection charge for a 12 month period, beginning with the effective date of Advice Letter 1143-WA.
6. As authorized by the California Public Utilities Commission in Decision 04-03-039, all bills are subject to a surcredit \$2.19 per month for a 9-year amortization period, beginning on the effective date of Advice Letter 1150-W. This surcredit will refund the ratepayer portion of the revenues collected from the City of Folsom for the period of July 1, 1994 through March 16, 2004

Schedule No. BY-1

Bay Point Customer Service Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Portions of the City of Pittsburg and vicinity, Contra Costa County.

RATES

Per Meter  
Per Month

Quantity Rates:

For all water delivered, per 100 cu. ft. .... \$2.882 (D)

Service Charge:

For 5/8 x 3/4-inch meter.....	\$21.75 (I)
For 3/4-inch meter.....	\$32.70 (I)
For 1-inch meter.....	\$54.50 (I)
For 1-1/2-inch meter.....	\$108.95 (I)
For 2-inch meter.....	\$174.95 (I)
For 3-inch meter.....	\$326.95 (I)
For 4-inch meter.....	\$545.95 (I)
For 6-inch meter.....	\$1,090.95 (I)
For 8-inch meter.....	\$1,745.95 (I)
For 10-inch meter.....	\$2,508.95 (I)

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

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. New Services: Contra Costa Water District (CCWD) imposes a Facilities Reserve Charge for new or enlarged retail services in this district. An applicant for service must first pay this fee, if applicable, to CCWD before service will be rendered under this schedule. (D)
3. Due to the undercollection in the Water Quality Oil Memorandum Account, a surcharge of \$0.014 per Ccf is to be added to the Quantity Rate for a 12-month period, beginning with the effective date of Advice Letter 1143-WA, which is April 24, 2004. (N)

Schedule No. OJ-1

Ojai Customer Service Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service except public parks.

TERRITORY

Ojai and vicinity, Ventura County.

RATES

Per Meter  
Per Month

Quantity Rates:

First 500 cu. Ft., per 100 cu. ft.....	\$ 1.595 (I)
Next 1500 cu. Ft., per 100 cu. ft.....	\$ 1.721 (I)
Over 2000 cu. Ft., per 100 cu. ft. ....	\$ 2.016 (I)

Service Charge:

For 5/8 x 3/4-inch meter.....	\$15.90 (I)
For 3/4-inch meter.....	\$23.80 (I)
For 1-inch meter.....	\$39.70 (I)
For 1-1/2-inch meter.....	\$79.4 0 (I)
For 2-inch meter.....	\$127.00 (I)
For 3-inch meter.....	\$238.00 (I)
For 4-inch meter.....	\$397.00 (I)
For 6-inch meter.....	\$794.00 (I)
For 8-inch meter.....	\$1,274.00 (I)

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

SPECIAL CONDITIONS

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

2. Due to the undercollection in the Water Quality Oil Memorandum Account, a surcharge of \$0.014 per Ccf is to be added to the Quantity Rate for a 12-month period, beginning with the effective date of Advice Letter 1143-WA, which is April 24, 2004.

(D)

(D)

(N)

Schedule No. OJ-7ML

Ojai Customer Service Area

PUBLIC PARK METERED SERVICE

APPLICABILITY

Applicable to all metered water service furnished to public parks.

TERRITORY

Ojai and vicinity, Ventura County.

RATES

Per Meter  
Per Month

Quantity Rates:

For all water delivered, per 100 cu. ft..... \$ 1.303 (I)

Service Charge:

For 5/8 x 3/4-inch meter..... \$15.90 (I)

For 3/4-inch meter..... \$23.80 (I)

For 1-inch meter..... \$39.70 (I)

For 1-1/2-inch meter..... \$79.40 (I)

For 2-inch meter..... \$127.00 (I)

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

SPECIAL CONDITIONS

1. Service under this schedule shall be limited to the City of Ojai, the County of Ventura and the Civic Center Park (Ojai Civic Association, Trustee).
2. The above rates apply to service connections not larger than two inches in diameter.
3. The cost of installation of service pipes and meters shall be borne by the utility. Relocation of such facilities shall be at the expense of the party requesting relocation.
4. All bills are subject to the reimbursement fee set forth on Schedule No. UF. (D)  
(D)
5. Due to the undercollection in the Water Quality OII Memorandum Account, a surcharge of \$0.014 per Ccf is to be added to the Quantity Rate for a 12-month period, beginning with the effective date of Advice Letter 1143-WA, which is April 24, 2004. (N)

**APPENDIX C  
BILL COMPARISON  
SOUTHERN CALIFORNIA WATER COMPANY**

**ARDEN CORDOVA CSA**

Bill Comparison for 1 inch Meter  
Tariff Schedule AC-1

	Monthly Usage (Ccf)	Present Rates	Adopted Rates	Dollar Increase	Percent Increase
	0	\$ 17.45	\$ 17.45	\$ -	0.0%
	25	\$ 27.58	\$ 27.95	\$ 0.38	1.4%
	75	\$ 47.83	\$ 48.95	\$ 1.13	2.4%
	100	\$ 57.95	\$ 59.45	\$ 1.50	2.6%
AVG	116	\$ 64.43	\$ 66.17	\$ 1.74	2.7%
	200	\$ 98.45	\$ 101.45	\$ 3.00	3.0%
	250	\$ 118.70	\$ 122.45	\$ 3.75	3.2%
	300	\$ 138.95	\$ 143.45	\$ 4.50	3.2%
	350	\$ 159.20	\$ 164.45	\$ 5.25	3.3%

**BAY POINT CSA**

Bill Comparison for 5/8 x 3/4 - inch Meter  
Tariff Schedule BY-1

	Monthly Usage (Ccf)	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
	0	\$ 21.35	\$ 21.75	\$ 0.40	1.9%
	5	\$ 35.65	\$ 36.16	\$ 0.51	1.4%
	8	\$ 44.22	\$ 44.81	\$ 0.58	1.3%
	10	\$ 49.94	\$ 50.57	\$ 0.63	1.3%
AVG	16	\$ 67.09	\$ 67.86	\$ 0.77	1.1%
	20	\$ 78.53	\$ 79.39	\$ 0.86	1.1%
	30	\$ 107.12	\$ 108.21	\$ 1.09	1.0%
	40	\$ 135.71	\$ 137.03	\$ 1.32	1.0%
	50	\$ 164.30	\$ 165.85	\$ 1.55	0.9%

**OJAI CSA**

Bill Comparison for 5/8 x 3/4 - inch Meter  
Tariff Schedule OJ-1

	Monthly Usage (Ccf)	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
	0	\$ 15.10	\$ 15.90	\$ 0.80	5.3%
	10	\$ 30.59	\$ 32.48	\$ 1.89	6.2%
	15	\$ 38.63	\$ 41.09	\$ 2.46	6.4%
	20	\$ 46.66	\$ 49.69	\$ 3.03	6.5%
AVG	26	\$ 57.95	\$ 61.79	\$ 3.84	6.6%
	30	\$ 65.47	\$ 69.85	\$ 4.38	6.7%
	35	\$ 74.88	\$ 79.93	\$ 5.06	6.8%
	40	\$ 84.28	\$ 90.01	\$ 5.73	6.8%
	50	\$ 103.09	\$ 110.17	\$ 7.08	6.9%

APPENDIX D

Page 1

**Southern California Water Company**

Arden-Cordova District - A.03-10-057

**Adopted Quantities**

PURCHASED POWER		TY 2004
S. M. U. D.		
WELLS:		
Total Production (KCcf)		6,620.3
Kwh per CCF		0.8980
Total Kwh (1000)		5,948.1
Unit Cost \$/Kwh		\$0.0709
Energy Cost		\$421,723
BOOSTERS		
Total Production (KCcf)		7,519.5
Kwh per CCF		0.2910
Total Kwh (1000)		2,187.6
Unit Cost \$/Kwh		\$0.0709
Energy Cost		\$155,098
GAS (Therms)	Effective 1/7/2000	1,938
PG&E \$/Therms		\$0.5828
Total Gas Cost		\$1,130
<b>Total Purchased Power</b>		<b>\$577,900</b>
<b>Total Chemical Cost</b>		<b>\$71,800</b>

**Southern California Water Company**  
Bay Point District - A.03-10-057

PURCHASED POWER

TY 2004

PG&E	
BOOSTERS	
Total Production (KCcf)	1,215.8
Kwh per CCF	0.8564
Total Kwh (1000)	1,041.3
Unit Cost \$/Kwh	\$0.1135
<b>TOTAL Energy Cost</b>	<b>\$118,047</b>

PURCHASED WATER

Contra Costa Water District	Effective 2/1/1998	
Purchased Raw Water - AF		2,614
\$/AF		\$416.15
		<b>\$1,087,993</b>

Service Charge	2 @ \$108.26 per month	\$2,598
Demand Charge mxdy	1706 @ \$2.013 per GPM	\$41,210
Demand Charge mxhr	1806 @ \$1.680 per GPM	\$36,409

Contra Costa Facilities Contract **\$240,012**

Treated Water		
Reduced Pressure Charge	31 @ \$3.28 per unit	\$1,220
HCF Energy Charge	1 @ \$179.40 per unit	\$2,153
HCF Quantity Charge	1 @ \$4,522.87 per unit	\$54,274
Service and Demand Charge	31 @ \$25.52 per unit	\$9,493

**TOTAL Purchased Water** **\$1,475,244**

**TOTAL Chemical Cost** **\$92,400**

APPENDIX D  
Page 3

**Southern California Water Company**  
Ojai District - A.03-10-057

**Adopted Quantities**

<u>PURCHASED POWER</u>		TY 2004
WELLS:		
Total Production (KCcf)		846.3
SoCal. Edison		
Total Kwh		1,492,762
Unit Cost (\$/Kwhr)		0.12401
Power Cost (wells)		\$185.1
BOOSTERS:		
SoCal. Edison		
Total Production (KCcf)		989.7
Kwh per Ccf		0.1856
Total Kwh		184,121
Unit Cost (\$/Kwhr)		0.15389
Power Cost (boosters)		\$28.3
<b>Total Purchased Power Cost</b>		<b>\$213.1</b>
 <u>PURCHASED WATER</u>		
	<u>\$/AF</u>	<u>KCcf</u>
Casitas MWD - Resale	Jan-00	\$379.41
Casitas MWD - Irrigation	Jan-00	\$133.73
		122.3
		21.6
Total KCcf		143.9
Casitas MWD - Resale		\$107.0
Service Charge	\$1,783.54	\$21.4
Casitas MWD - Irrigation		\$6.6
<b>Total Purchased Water Cost</b>		<b>\$135.0</b>
 <u>REPLENISHMENT TAX</u>		
Water Replenishment District	Effect 6-1-99	
Total Well Production (AF)		1,803
<b>Total Replenishment Cost</b>		<b>\$15.0</b>
<b>Total Chemical Cost</b>		<b>\$8.3</b>

## APPENDIX D

Page 4

### Southern California Water Company Arden Cordova Customer Service Area - A.03-10-057

#### RATE BASE

(Dollars in thousands)

<b>RATE BASE</b>	<b>Test Year 2004</b>
Utility Plant	47,681.5
Acquisition Adjustment	0.0
Total Utility Plant	47,681.5
Depreciation Reserve	(11,371.3)
Net Utility Plant	36,310.2
Material & Supplies	16.0
Advances for Construction	(7,163.1)
Contributions	(10,868.9)
Rate Base before Adjustment	18,294.2
ACRS & MACRS Depreciation	(3,272.3)
Investment Tax Credit	(309.5)
Capitalized Items	493.9
Sliver	(4.0)
Advances (Gross-Up)	642.6
Contributions (Gross-Up)	195.7
Deferred Revenues	(30.9)
Invest. in Other Water Companies	0.0
Deferred Rate Case Expenses	0.0
Allowance for Working Cash	(292.5)
Common Utility Allocation	1,205.4
Weighted Average Rate Base	16,922.7

**APPENDIX D**

**Page 5**

**Southern California Water Company  
Bay Point Customer Service Area - A.03-10-057**

**RATE BASE**

(Dollars in thousands)

<b>RATE BASE</b>	<b>Test Year 2004</b>
Utility Plant	18,969.8
Acquisition Adjustment	747.0
Total Utility Plant	19,716.8
Depreciation Reserve	(4,353.2)
Net Utility Plant	15,363.6
Material & Supplies	4.2
Advances for Construction	(2,977.9)
Contributions	(1,805.0)
Rate Base before Adjustment	10,584.9
ACRS & MACRS Depreciation	(1,478.9)
Investment Tax Credit	(88.9)
Capitalized Items	352.5
Sliver	(14.1)
Advances (Gross-Up)	285.8
Contributions (Gross-Up)	144.7
Deferred Revenues	(29.1)
Invest. in Other Water Companies	0.0
Deferred Rate Case Expenses	0.0
Allowance for Working Cash	(35.6)
Common Utility Allocation	296.2
Weighted Average Rate Base	10,017.5

**APPENDIX D**

**Page 6**

**Southern California Water Company  
Ojai Customer Service Area - A.03-10-057**

**RATE BASE  
(Dollars in thousands)**

<b>RATE BASE</b>	<b>Test Year 2004</b>
Utility Plant	11,759.1
Acquisition Adjustment	0.0
Total Utility Plant	11,759.1
Depreciation Reserve	(2,327.0)
Net Utility Plant	9,432.1
Material & Supplies	3.7
Advances for Construction	(264.9)
Contributions	(314.6)
Rate Base before Adjustment	8,856.3
ACRS & MACRS Depreciation	(730.3)
Investment Tax Credit	(37.4)
Capitalized Items	132.6
Sliver	(1.9)
Advances (Gross-Up)	4.4
Contributions (Gross-Up)	13.2
Deferred Revenues	(3.9)
Invest. in Other Water Companies	0.0
Deferred Rate Case Expenses	0.0
Allowance for Working Cash	84.1
Common Utility Allocation	343.5
Weighted Average Rate Base	8,660.7

**APPENDIX D**

**Page 7**

**SOUTHERN CALIFORNIA WATER COMPANY  
ARDEN CORDOVA DISTRICT - A.03-10-057**

**ADOPTED QUANTITIES  
TEST YEAR 2004**

<u>Number of Metered Services</u>	<u>Schedule AC-1 2004</u>
<b>Meter Size</b>	
5/8 x 3/4 -inch meter	41
3/4	82
1	1187
1 1/2	74
2	973
3	52
4	16
6	16
8	16
10	0
<b>TOTAL METERED SERVICES</b>	<hr/> 2,457

<u>Number of Flat Rate Customers</u>	<u>Schedule AC-2 2004</u>
Single	11,006
Duplex	273
Additional unit	0
Swimming Pool	943
	<hr/> 11,279
Private Fire Service	516
<b>TOTAL CUSTOMERS</b>	<hr/> 14,252

**APPENDIX D**

**Page 8**

**SOUTHERN CALIFORNIA WATER COMPANY  
ARDEN CORDOVA DISTRICT - A.03-10-057**

**ADOPTED QUANTITIES  
TEST YEAR 2004**

**WATER CONSUMPTION**

<u>Classification</u>	<u>Service Connection</u>	<u>Usage (CCF/CUST)</u>	
<b>METERED SERVICES :</b>			
	<u>2004</u>	<u>2004</u>	<u>2004</u>
<u>Metered</u>			
Commercial	2,326	1,394.5	3,243.6
Industrial	0	0.0	0.0
Public Authority	32	5,829.4	186.5
Irrigation	99	1,181.4	117.0
Contract	0	0.0	0.0
Other	0	0.0	0.0
	-----		-----
Total Metered	2,457		3,547.1
<u>Flat Rate</u>			
Commercial	11,279	331.40	3,737.9
Public Authority	0	0.00	0.0
	-----		-----
Total Flat Rate	11,279		3,737.9
 PRIVATE FIRE PROTECTION	 516		
	-----		-----
TOTAL CONNECTIONS	14,252		7,285.0
 UNACCOUNTED WATER	 3.22%		 234.6
			-----
TOTAL WATER PRODUCTION			7,519.5

APPENDIX D

Page 9

SOUTHERN CALIFORNIA WATER COMPANY  
BAY POINT DISTRICT - A.03-10-057

ADOPTED QUANTITIES  
TEST YEAR 2004

<u>Number of Metered Services</u>	Schedule BY-1 <u>2004</u>
Meter Size	
5/8 x 3/4 -inch meter	4,790
3/4	2
1	53
1 1/2	13
2	82
3	2
4	2
6	4
8	2
10	0
TOTAL METERED SERVICES	<hr/> 4,950
Private Fire Service	16
TOTAL CUSTOMERS	<hr/> 4,966

**APPENDIX D**

**Page 10**

**SOUTHERN CALIFORNIA WATER COMPANY  
BAY POINT DISTRICT - A.03-10-057**

**ADOPTED QUANTITIES  
TEST YEAR 2004**

**WATER CONSUMPTION**

<u>Classification</u>	<u>Service Connection</u>	<u>Usage (CCF/CUST)</u>	<u>Consumption (KCcf)</u>
<b>METERED SERVICES :</b>			
	<u>2004</u>	<u>2004</u>	<u>2004</u>
<u>Metered</u>			
Commercial	4,916	191.6	941.9
Industrial	7	14,980.3	104.9
Public Authority	23	2,490.8	57.3
Irrigation	4	2,596.2	10.4
Contract	0	0.0	0.0
Other	0	0.0	0.0
	-----		-----
Total Metered	4,950		1,114.4
 PRIVATE FIRE PROTECTION	 16		 -----
TOTAL CONNECTIONS	4,966		1,114.4
 UNACCOUNTED WATER	 8.34%		 101.4
			-----
TOTAL WATER PRODUCTION			1,215.8

APPENDIX D

Page 11

SOUTHERN CALIFORNIA WATER COMPANY

OJAI DISTRICT - A.03-10-057

ADOPTED QUANTITIES

TEST YEAR 2004

<u>Number of Metered Services</u>	<u>Schedule OJ-1</u> <u>2004</u>	<u>Other Schedules</u> <u>2004</u>
<b>Meter Size</b>		
5/8 x 3/4 -inch meter	1,829	5
3/4	192	1
1	505	2
1 1/2	67	0
2	143	5
3	2	0
4	1	0
6	1	0
8	0	0
10	0	0
TOTAL METERED SERVICES	<u>2,740</u>	<u>13</u>
TOTAL SERVICES (All Tariffs)	2,753	
Private Fire Service	25	
TOTAL CUSTOMERS	<u>2,778</u>	

**APPENDIX D**

**Page 12**

**SOUTHERN CALIFORNIA WATER COMPANY  
OJAI DISTRICT - A.03-10-057**

**ADOPTED QUANTITIES  
TEST YEAR 2004**

**WATER CONSUMPTION**

<u>Classification</u>	<u>Service Connection</u>	<u>Usage (CCF/CUST)</u>	<u>Consumption (KCcf)</u>
<b>METERED SERVICES :</b>			
	<u>2004</u>	<u>2004</u>	<u>2004</u>
<u>Metered</u>			
Commercial	2,715	306.2	831.3
Industrial	0	0.0	0.0
Public Authority	20	1,209.6	24.2
Irrigation	4	10,880.9	43.5
Contract	14	749.8	10.5
Other	0	0.0	0.0
	-----		-----
Total Metered	2,753		909.5
 PRIVATE FIRE PROTECTION	 25		 -----
TOTAL CONNECTIONS	2,778		909.5
 UNACCOUNTED WATER	 8.10%		 80.2
			-----
TOTAL WATER PRODUCTION			989.7

**APPENDIX D**

**Page 13**

**Southern California Water Company  
Arden Cordova CSA - A.03-10-057**

**Income Tax Calculation**

**2004**  
(Dollars in  
Thousands)

Operating Revenues (authorized rates)	7,022.2
Operation Expenses	
Purchased Water	0.0
Purchased Power	577.9
Pump Taxes	0.0
Chemicals	71.8
Allocated Common Customer Account	185.4
Uncollectibles	19.6
Operation-Labor	405.9
Other Operation Expenses	221.6
Maintenance - Labor	60.9
Maintenance - Other	122.3
Office Supplies & Expenses	151.4
Property Insurance	0.0
Injuries and Damages	0.0
Pension and Benefits	21.3
Business Meals	5.9
Regulatory Expenses	39.9
Outside Services	5.1
Miscellaneous	36.6
Allocated General Office Expenses	1,051.7
Other Maintenance of General Plant	16.6
Rent	77.3
A&G Labor	233.7
Property Tax	209.9
Payroll Taxes	55.4
Franchise Taxes	33.3
Depreciation and Amortization Expense	1,295.3
Operating Expenses	4,898.9
Interest on LTD	652.9
Book Depreciation	(1,295.3)
GO Book Depreciation	(45.3)
Total Deductions	4,211.3
State Tax Depreciation	1,733.8
Other State Schedule M	(2.1)
Net Taxable Income	1,079.2
State Corp. Franchise Tax	8.84% 95.4
Book Depreciation	1,295.3
GO Book Depreciation	45.3
Federal Tax Depreciation - Flow Through	(222.1)
State Tax	115.7
Amortization Contributions Schedule M	30.9
Other Federal Schedule M	(5.0)
Net Taxable Income	1,550.9
Federal Income Tax	35.00% 542.9
Total Income Tax	638.4

**APPENDIX D**

**Page 14**

**Southern California Water Company  
Bay Point CSA - A.03-10-057**

**Income Tax Calculation**

**2004**  
(Dollars in  
Thousands)

Operating Revenues (authorized rates)		4,822.4
Operation Expenses		
Purchased Water		1,475.2
Purchased Power		118.0
Pump Taxes		0.0
Chemicals		92.4
Allocated Common Customer Account		45.7
Uncollectibles		42.7
Operation-Labor		234.5
Other Operation Expenses		107.7
Maintenance - Labor		44.3
Maintenance - Other		119.9
Office Supplies & Expenses		89.9
Property Insurance		0.0
Injuries and Damages		0.0
Pension and Benefits		6.2
Business Meals		2.5
Regulatory Expenses		19.5
Outside Services		1.3
Miscellaneous		1.3
Allocated General Office Expenses		259.2
Other Maintenance of General Plant		25.3
Rent		33.8
A&G Labor		97.2
Property Tax		90.2
Payroll Taxes		29.7
Franchise Taxes		57.7
Depreciation and Amortization Expense		546.0
Operating Expenses		3,540.2
Interest on LTD		386.6
Book Depreciation		(546.0)
GO Book Depreciation		(10.9)
Total Deductions		3,369.9
State Tax Depreciation		595.3
Other State Schedule M		(13.5)
Net Taxable Income		870.7
State Corp. Franchise Tax	8.84%	77.0
Book Depreciation		546.0
GO Book Depreciation		10.9
Federal Tax Depreciation - Flow Through		(90.3)
State Tax		37.4
Amortization Contributions Schedule M		29.1
Other Federal Schedule M		(12.8)
Net Taxable Income		932.2
Federal Income Tax	35.00%	326.3
Total Income Tax		403.3

**APPENDIX D**

Page 15

**Southern California Water Company  
Ojai CSA - A.03-10-057**

**Income Tax Calculation**

	<b><u>2004</u></b>
	(Dollars in Thousands)
Operating Revenues (authorized rates)	2,657.9
Operation Expenses	
Purchased Water	135.0
Purchased Power	213.1
Pump Taxes	15.0
Chemicals	8.3
Allocated Common Customer Account	38.9
Uncollectibles	5.3
Operation-Labor	230.9
Other Operation Expenses	60.2
Maintenance - Labor	45.2
Maintenance - Other	121.8
Office Supplies & Expenses	39.7
Property Insurance	0.0
Injuries and Damages	1.2
Pension and Benefits	4.4
Business Meals	0.9
Regulatory Expenses	9.0
Outside Services	1.2
Miscellaneous	11.2
Allocated General Office Expenses	219.3
Other Maintenance of General Plant	6.2
Rent	32.8
A&G Labor	36.6
Property Tax	45.7
Payroll Taxes	32.2
Franchise Taxes	41.4
Depreciation and Amortization Expense	265.4
Operating Expenses	1,621.2
Interest on LTD	357.2
Book Depreciation	(265.4)
GO Book Depreciation	0.0
Total Deductions	1,712.9
State Tax Depreciation	280.4
Other State Schedule M	(12.6)
Amort. of Def. Rev. (from Contrib.)	0.5
Net Taxable Income	676.683
State Corp. Franchise Tax	8.84% 59.8
Additional Provision	(0.9)
Total State Tax	58.9
Book Depreciation	278.9
GO Book Depreciation	0.0
Federal Tax Depreciation - Flow Through	(13.4)
State Tax	49.3
Amortization Contributions Schedule M	0.5
Other Federal Schedule M	(12.2)
Net Taxable Income	641.9
Federal Income Tax	35.00% 224.7
Additional Provision	(6.6)
Total Federal Tax	218.1
Total Income Tax	277.0

**(END OF ATTACHMENT B)**