

**ATTACHMENT A**  
**SAN GABRIEL VALLEY WATER COMPANY**  
**Los Angeles County Division**  
**Test Year 2005/2006**  
**Adopted Summary of Earnings**

		ADOPTED	
		At Present Rates	At Authorized Rates
		(Dollars in Thousands)	
Operating Revenue		\$37,566.0	\$41,676.2
Operating Expenses			
1	Purchased Water & Assess.	\$7,248.9	\$7,248.9
2	Purchased Power	\$3,186.9	\$3,186.9
3	Chemicals	\$843.3	\$843.3
4	Payroll	\$3,799.6	\$3,799.6
5	Materials & Supplies	\$428.9	\$428.9
6	Transportation	\$501.3	\$501.3
7	Pensions & Benefits	\$1,802.9	\$1,802.9
8	Uncollectibles	\$42.3	\$46.9
9	Franchise Fees	\$374.5	\$415.4
10	Outside Services	\$537.5	\$537.5
11	Insurance	\$602.5	\$602.5
12	Other O&M Expense	\$225.0	\$225.0
13	Other A&G Expense		
13a	- Regulatory Comm. Expense	\$80.3	\$80.3
13b	- Miscellaneous Expense	\$954.7	\$954.7
13c	- Utilities & Rents Expense	\$13.9	\$13.9
13d	- Admin. Exp. Transferred	(\$399.7)	(\$399.7)
14	Bank Charges	\$51.6	\$51.6
15	G.O. Allocation		
15a	Payroll, P&B, Payroll Taxes	\$2,065.5	\$2,065.5
15b	Other O&M, A&G, & Taxes	\$507.4	\$507.4
15c	Insur, Contract.Serv. & Rents	\$185.3	\$185.3
15d	Depreciation	\$155.2	\$155.2
15e	Ad Valorem Taxes	\$15.2	\$15.2
16	Depreciation	\$3,848.7	\$3,848.7
17	Ad Valorem Taxes	\$1,375.5	\$1,375.5
18	Payroll Taxes	\$423.3	\$423.3
	Subtotal	\$28,870.3	\$28,914.0
19	State Income Tax	\$459.4	\$818.7
20	Federal Income Tax	\$1,711.8	\$3,134.4
	Total Operating Expense	\$28,870.3	\$32,868.9
	Net Operating Revenues	\$6,524.6	\$8,807.3
21	Rate Base	\$93,356.8	\$93,356.8
	Rate of Return	6.99%	9.43%

**ATTACHMENT B**  
**Sheet 1 of 6**  
**Authorized 2005/2006 Rates**

**Schedule LA-1**  
**Los Angeles County Division**  
**GENERAL METERED SERVICE**

**APPLICABILITY**

Applicable to all metered service.

**TERRITORY**

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

**RATES**

**Quantity Rates**

Per 100 cu ft (Ccf)	\$1.5195
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**Service Charges**

Per service per month

For 5/8 x 3/4-inch meter	\$14.42
For 3/4-inch meter	\$21.63
For 1-inch meter	\$36.05
For 1-1/2-inch meter	\$72.10
For 2-inch meter	\$115.40
For 3-inch meter	\$216.30
For 4-inch meter	\$360.50
For 6-inch meter	\$720.00
For 8-inch meter	\$1,150.00
For 10-inch meter	\$1,660.00
For 12-inch meter	\$2,380.00
For 14-inch meter	\$3,170.00
For Two 2-inch meters	\$231.00
For Three 2-inch meters	\$346.00
For Four 2-inch meters	\$462.00
For Two 3-inch meters	\$433.00
For Three 3-inch meters	\$649.00
For Two 4-inch meters	\$721.00
For Three 4-inch meters	\$1,080.00
For One 8-inch and One 2-inch meter	\$1,270.00

The Service Charge is a readiness-to-serve charge which is applicable and to which is added the charge for water consumed at the quantity rates.

**Special Conditions**

1. All bills are subject to the reimbursement fee set forth on Schedule AA-UF.

**ATTACHMENT B**  
**Sheet 2 of 6**  
**Authorized 2005/2006 Rates**

**Schedule No. LA-3L**  
**Los Angeles County Division**  
**LIMITED IRRIGATION SERVICE**

**APPLICABILITY**

Applicable to all measured irrigation service limited to existing irrigation customers at January 1, 1975, who annually utilize this service.

**TERRITORY**

Portions of the community of Hacienda Heights and vicinity, Los Angeles County.

**RATES**

<u>Quantity Rates</u> per service connection	<u>Zone I</u>	<u>Zone II</u>
First 1,800 cu. ft, or less	\$48.59	\$54.04
Over 1,800 cu. ft., per 100 cu. ft.	\$1.7408	\$1.9438

**Minimum Charge**

For each scheduled delivery	\$48.59	\$54.04
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The minimum charge will entitle the customer to the quantity of water that minimum charge will purchase at the quantity rates.

**SPECIAL CONDITIONS**

1. The boundaries of the zones are delineated on the tariff service area maps. Zone I includes areas generally lying below 700 feet elevation. Zone II includes areas generally above 700 feet elevation.
2. Irrigation water is not scheduled for delivery on Saturday or Sunday. Off-schedule irrigation water is available only by pre- arrangement at the office of the company at least two days in advance of delivery.
3. This service shall not be used by the customer for any purpose other than irrigation when and as scheduled.
4. The minimum charge will apply to each delivery scheduled even though no water is used unless notice of scheduled delivery is given to the company at least two days before the scheduled delivery date.

(continued)

**ATTACHMENT B**  
**Sheet 3 of 6**  
**Authorized 2005/2006 Rates**

**Schedule No LA-4**  
**Los Angeles County Division**  
**PRIVATE FIRE SERVICE**

**APPLICABILITY**

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

**TERRITORY**

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

**RATES**

Per service per month  
for each inch of diameter  
of service connection

\$10.66

**SPECIAL CONDITIONS**

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

**ATTACHMENT B**  
**Sheet 4 of 6**  
**Auhtorized 2005/2006 Rates**

**Schedule No LA-9C**  
**Los Angeles County Division**  
**CONSTRUCTION AND TANK TRUCK SERVICE**

**APPLICABILITY**

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

**TERRITORY**

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

**RATES**

For sidewalk construction, per 100 square feet.	\$0.659
For street curb construction, per 100 lineal feet.	\$1.294
For trench settling, per lineal foot of section of trench 2 feet by 4 feet.	\$0.047
For sprinkling subgrade of street and roadway construction in application of oil or any form of patented oil paving or paving or surfacing, or for rolling and setting subgrade, per 3,000 square feet of roadway.	\$9.04
For compaction of fill, per cubic yard of fill material.	\$0.078
For water delivered to tank wagon or truck, per 100 gallons.	\$0.206

**MINIMUM CHARGE**

Per month for any service rendered under this schedule.	\$34.47
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**SPECIAL CONDITIONS**

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

**ATTACHMENT B**  
**Sheet 5 of 6**  
**Authorized 2005/2006 Rates**

**Schedule No LA-9CL**  
**Los Angeles County Division**  
**SERVICE TO TRACT HOUSES DURING CONSTRUCTION**

**APPLICABILITY**

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

**TERRITORY**

Los Angeles County Division, Los Angeles County

**RATES**

For each lot, for the construction period	\$11.94
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**SPECIAL CONDITIONS**

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

**ATTACHMENT B**  
**Sheet 6 of 6**  
**Authorized 2005/2006 Rates**

**Schedule No. LA-6**  
**Los Angeles County Division**  
**RECLAIMED WATER METERED SERVICE**

**APPLICABILITY**

Applicable to all reclaimed water metered service.

**TERRITORY**

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

**RATES**

**Quantity Rate**

For all water delivered per 100 cu.feet.	\$1.2916
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**Service Charge**

**Per Meter Per Month**

For 5/8 x 3/4-inch meter	\$14.42
For 3/4-inch meter	\$21.63
For 1-inch meter	\$36.05
For 1-1/2-inch meter	\$72.10
For 2-inch meter	\$115.40
For 3-inch meter	\$216.30
For 4-inch meter	\$360.50
For 6-inch meter	\$720.00
For 8-inch meter	\$1,150.00
For 10-inch meter	\$1,660.00
For 12-inch meter	\$2,380.00
For 14-inch meter	\$3,170.00

**Per Battery Per Month**

For Two 2-Inch Meters	\$231.00
For Three 2-inch Meters	\$346.00
For Four 2-Inch Meters	\$462.00
For Two-3-Inch Meters	\$433.00
For Three 3-Inch Meters	\$649.00
For Two 4-Inch Meters	\$721.00
For Three 4-inch Meters	\$1,080.00
For One 8-Inch, One 2-inch meter	\$1,270.00

**ATTACHMENT C**  
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**San Gabriel Valley Water Company**  
**Los Angeles County Division**

**Adopted Quantities and Calculations**

- |    |                          |          |
|----|--------------------------|----------|
| 1. | Net-to-Gross Multiplier: | 1.800602 |
| 2. | Federal Income Tax Rate: | 35.00%   |
| 3. | State Income Tax Rate:   | 8.84%    |
| 4. | Franchise Fee Rate:      | 0.9968%  |
| 5. | Uncollectibles Rate:     | 0.1126%  |

**6. Number of Services & Supply:**

<u>Class</u>	<u>No. of Services</u>			<u>Ccf/ Customer</u>	<u>Usage -Ccf</u>		
	<u>05-06</u>	<u>06-07</u>	<u>07-08</u>		<u>05-06</u>	<u>06-07</u>	<u>07-08</u>
Residential	45,651	45,862	46,073	268	12,255,924	12,312,571	12,369,218
Commercial	476	478	480	6,359	3,026,884	3,039,602	3,052,320
Industrial, Small	92	92	92	797	73,324	73,324	73,324
Industrial, Large	69	70	71	14,717	1,015,473	1,015,473	1,015,473
Public Authority, Small	195	188	181	588	114,660	114,660	114,660
Public Authority, Large	120	121	122	8,433	1,011,960	1,011,960	1,011,960
Irrigation	5	5	5	100	500	500	500
Reclaimed - Contract	2	2	2	N/A	319,151	319,151	319,151
Reclaimed - Tariff	6	6	6	N/A	47,049	47,049	47,049
Subtotal	46,616	46,824	47,032		17,864,925	17,934,290	18,003,655
Private Fire Service	1070	1095	1120				
Total	47,686	47,919	48,152				
Water Loss @ 4.7%					881,061	884,482	887,903
Total Water Supply, Ccf					18,745,986	18,818,772	18,891,558
Total Water Supply, AF					43,034.9	43,202.0	43,369.1

**ATTACHMENT C**  
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**San Gabriel Valley Water Company**  
**Los Angeles County Division**

**Adopted Quantities and Calculations**

**7. Water Supply Quantities & Cost:**

**Water Production Cost 2003**

<u>Item</u>	<u>Unit Cost (\$/AF)</u>	<u>Test Year 2005-2006</u>		<u>Esc. Year 2006-2007</u>		<u>Esc. Year 2007-2008</u>	
		<u>Quantity Basis (AF)</u>	<u>Total Cost or Assessment (\$000)</u>	<u>Quantity Basis (AF)</u>	<u>Total Cost or Assessment (\$000)</u>	<u>Quantity Basis (AF)</u>	<u>Total Cost or Assessment (\$000)</u>
<b><u>Main San Gabriel Basin</u></b>							
Replenishment Water Assessment	\$246.65	21,287.0	\$5,250.4	21,454.1	\$5,291.7	21,621.2	\$5,332.9
Cyclic Storage	\$125.65	445.0	\$55.9	445.0	\$55.9	445.0	\$55.9
Leased Water Rights	\$221.99	1,894.6	\$420.6	1,894.6	\$420.6	1,894.6	\$420.6
Watermaster Assessment	\$9.00	38,738.7	\$348.6	38,905.8	\$350.2	39,072.9	\$351.7
Reclaimed Water CSDofLAC	\$128.35	71.7	\$9.2	71.7	\$9.2	71.7	\$9.2
Reclaimed Water USGVMWD	\$266.00	35.0	\$9.3	35.0	\$9.3	35.0	\$9.3
Reclaimed Water USGVMWD (R.H.)	\$175.00	661.0	\$115.7	661.0	\$115.7	661.0	\$115.7
In Lieu Assessment	\$1.05	38,738.7	\$40.7	38,905.8	\$40.9	39,072.9	\$41.0
Association Assessment	\$0.40	38,446.2	\$15.4	38,738.7	\$15.5	38,905.8	\$15.6
WQA Assessment	\$7.25	19,911.2	\$144.4	19,911.2	\$144.4	19,911.2	\$144.4
SGV Protective Assessment	\$100.00		\$0.1		\$0.1		\$0.1
Subtotal Production		39,506.4	\$6,410.3	39,673.5	\$6,453.3	39,840.6	\$6,496.2
<b><u>CENTRAL BASIN</u></b>							
Purchased Water	\$488.00	971.9	\$474.3	971.9	\$474.3	971.9	\$474.3
Meter Charge	\$450.00		\$5.4		\$5.4		\$5.4
Capacity Charge	\$927.50		\$11.1		\$11.1		\$11.1
Replenishment Assessment	\$128.25	2,483.6	\$318.5	2,483.6	\$318.5	2,483.6	\$318.5
Reclaimed Water	\$299.00	73.0	\$21.8	73.0	\$21.8	73.0	\$21.8
WQ Administrative Assessment	\$0.30	2,616.0	\$0.8	2,616.0	\$0.8	2,616.0	\$0.8
Association Assessment	\$0.58	2,616.0	\$1.5	2,616.0	\$1.5	2,616.0	\$1.5
Watermaster Service Assessment	\$5,223.64		\$5.2		\$5.2		\$5.2
		3,528.5	\$838.6	3,528.5	\$838.6	3,528.5	\$838.6
Total		43,034.9	\$7,248.9	43,202.0	\$7,291.9	43,369.1	\$7,334.9
Composite			\$168.44		\$168.79		\$169.13

## ATTACHMENT C

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**San Gabriel Valley Water Company  
Los Angeles County Division**

**Adopted Quantities and Calculations**

**8. Purchased Power Costs (Dollars in Thousands)**

	<u>Test Year 2005-2006</u>		<u>Escalation Year 2006-2007</u>		<u>Escalation Year 2007-2008</u>	
Schedule PA-1	\$0.108869	757,941	\$0.108869	760,884	\$0.108869	763,827
		\$82.5		\$82.8		\$83.2
Schedule PA-2	\$0.088945	768,700	\$0.088945	771,685	\$0.088945	774,669
		\$68.4		\$68.6		\$68.9
Schedule GS-1	\$0.414616	1,931	\$0.414616	1,938	\$0.414616	1,946
		\$0.8		\$0.8		\$0.8
Schedule GS-2	\$0.192792	49,680	\$0.192792	49,873	\$0.192792	50,066
		\$9.6		\$9.6		\$9.7
Schedule TOU-8	\$0.099713	25,444,146	\$0.099713	25,542,939	\$0.099713	25,641,732
		\$2,537.1		\$2,547.0		\$2,556.8
Schedule TOU-PA-A	\$0.114440	85,108	\$0.114440	85,438	\$0.114440	85,769
		\$9.7		\$9.8		\$9.8
Schedule TOU-PA-B	\$0.092875	1,275,479	\$0.092875	1,280,431	\$0.092875	1,285,384
		\$118.5		\$118.9		\$119.4
Schedule TOU-PA-5	\$0.075615	1,339,544	\$0.075615	1,344,745	\$0.075615	1,349,946
		\$101.3		\$101.7		\$102.1
Schedule TOU-GS-2B	\$0.159916	1,590,500	\$0.159916	1,596,676	\$0.159916	1,602,851
		\$254.3		\$255.3		\$256.3
Back-Up Generation (Diesel Fuel)						
	\$0.198564	23,400	\$0.198564	23,400	\$0.198564	23,400
		\$4.6		\$4.6		\$4.6
Total \$		\$3,186.9		\$3,199.2		\$3,211.6
Total kWh		31,336,429		31,458,010		31,579,590
\$/kWh		\$0.101698		\$0.101698		\$0.101698

## ATTACHMENT C

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**San Gabriel Valley Water Company  
Los Angeles County Division**

**Adopted Quantities and Calculations**

**9. Number of Services by Meter Size**

	<b>TY</b>	<b>EY</b>	<b>EY</b>
<b><u>Residential</u></b>	<b><u>2005-2006</u></b>	<b><u>2006-2007</u></b>	<b><u>2007-2008</u></b>
5/8 x 3/4-in.	34,816	34,976	35,137
3/4-In.	3,163	3,178	3,192
1-in.	5,999	6,027	6,055
1.5-in.	914	919	923
2-in.	756	759	763
3-in.	3	3	3
Subtotal:	45,651	45,862	46,073
<b><u>Commercial</u></b>			
5/8 x 3/4-in.	4	4	4
3/4-In.	1	1	1
1-in.	18	18	18
1.5-in.	43	44	44
2-in.	280	281	283
3-in.	2	2	2
4-in.	7	7	7
6-in.	8	8	8
8-in.	12	12	12
10-in.	2	2	2
2-2-in.	77	77	77
3-2-in.	15	15	15
4-2-in.	4	4	4
2-4-in.	3	3	3
Subtotal:	476	478	480
<b><u>Industrial, Large</u></b>			
1-in.	3	3	3
1.5-in.	9	9	9
2-in.	28	28	29
3-in.	2	2	2
4-in.	4	4	4
6-in.	1	1	1
8-in.	1	1	1
2-2-in.	14	15	15
3-2-in.	2	2	2
4-2-in.	3	3	3
3-3-in.	1	1	1
2-4-in.	1	1	1
Subtotal:	69	70	71

## ATTACHMENT C

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San Gabriel Valley Water Company  
Los Angeles County Division

## Adopted Quantities and Calculations

## 9. Number of Services by meter size (continued)

	TY	EY	EY
	2005-2006	2006-2007	2007-2008
<b><u>Industrial, Small</u></b>			
5/8 x 3/4-in.	24	24	24
3/4-In.	6	6	6
1-in.	20	20	20
1.5-in.	10	10	10
2-in.	32	32	32
Subtotal:	92	92	92
<b><u>Public Authority, Small</u></b>			
5/8 x 3/4-in.	32	31	29
3/4-In.	15	14	14
1-in.	30	29	28
1.5-in.	50	49	47
2-in.	67	64	62
3-in.	1	1	1
Subtotal:	195	188	181
<b><u>Public Authority, Large</u></b>			
1.5-in.	1	1	1
2-in.	42	42	43
3-in.	7	7	7
6-in.	1	1	1
8-in.	2	2	2
10-in.	1	1	1
2-2-in.	51	52	52
3-2-in.	9	9	9
4-2-in.	1	1	1
2-3-in.	1	1	1
2-4-in.	1	1	1
3-4-in.	2	2	2
1-8,1-2-in.	1	1	1
Subtotal:	120	121	122
<b><u>Irrigation</u></b>	5	5	5
<b><u>Reclaimed Water</u></b>	8	8	8
Total Metered:	46,616	46,824	47,032
<b><u>Private Fire Service</u></b>			
6.43" diameter (avg.)	1070	1,095	1120
Total Services	47,686	47,919	48,152

## ATTACHMENT C

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**San Gabriel Valley Water Company  
Los Angeles County Division**

**Adopted Quantities and Calculations**

**10. Income Tax Calculation (Dollars in Thousands)**Test Year 2005/2006

	<u>At Present Rates</u>	<u>At Authorized Rates</u>
Operating Revenue	\$37,566.0	\$41,676.2
Operating Expenses (excl. Deprec. & Income Taxes)	\$25,021.6	\$25,067.2
Interest	\$3,163.7	\$3,163.7
Total Deductions	<u>\$28,185.3</u>	<u>\$28,230.9</u>
Taxable Income	\$9,380.7	\$13,445.3
State Tax Depreciation	\$4,226.1	\$4,226.1
Net Taxable Income	<u>\$5,154.6</u>	<u>\$9,219.2</u>
State Corp. Franch. Tax @ 8.84%	\$455.7	\$815.0
Amortization of CIAC Tax	\$3.7	\$3.7
Total State Income Taxes	<u>\$459.4</u>	<u>\$818.7</u>
Taxable Income before Deductions	\$9,380.7	\$13,445.3
Federal Tax (Book) Depreciation	\$3,848.7	\$3,848.7
State Franchise Tax- Prior Year	\$679.6	\$679.6
Federal Taxable Income	<u>\$4,852.4</u>	<u>\$8,917.0</u>
Fed. Income Tax @ 35%	\$1,698.3	\$3,120.9
American Jobs Creation Act of 2004	\$0.0	\$0.0
Amortization of CIAC Tax	\$13.5	\$13.5
Total Federal Income Taxes	<u>\$1,711.8</u>	<u>\$3,134.4</u>

**ATTACHMENT D**  
**San Gabriel Valley Water Company**  
**Los Angeles County Division**

**BILL COMPARISON AT PRESENT AND AUTHORIZED RATES**

Monthly Usage (100 Cu Ft)	Present Rates (AL 325) <u>Amount</u>	Monthly <u>Bill</u>	Authorized 2005/2006 Rates \$ <u>Increase</u>	% <u>Incr.</u>
<b><u>5/8 x 3/4-Inch Meter</u></b>				
0	\$12.39	\$14.42	\$2.03	16.4%
10	\$26.34	\$29.62	\$3.28	12.4%
15	\$33.31	\$37.21	\$3.90	11.7%
<b>Average-23</b>	<b>\$44.47</b>	<b>\$49.37</b>	<b>\$4.90</b>	<b>11.0%</b>
50	\$82.13	\$90.40	\$8.27	10.1%
100	\$151.87	\$166.37	\$14.50	9.5%
<b><u>1-Inch Meter</u></b>				
10	\$30.98	\$36.05	\$5.07	16.4%
20	\$44.93	\$51.25	\$6.32	14.1%
50	\$100.72	\$112.03	\$11.31	11.2%
100	\$170.46	\$188.00	\$17.54	10.3%
200	\$309.94	\$339.95	\$30.01	9.7%
<b><u>2-Inch Meter</u></b>				
30	\$140.98	\$160.99	\$20.00	14.2%
50	\$168.88	\$191.38	\$22.50	13.3%
100	\$238.62	\$267.35	\$28.73	12.0%
200	\$378.10	\$419.30	\$41.20	10.9%
500	\$796.54	\$875.15	\$78.61	9.9%
750	\$1,145.24	\$1,255.03	\$109.79	9.6%
<b><u>4-Inch Meter</u></b>				
150	\$518.96	\$588.43	\$69.46	13.4%
250	\$658.44	\$740.38	\$81.93	12.4%
500	\$1,007.14	\$1,120.25	\$113.11	11.2%
1500	\$2,401.94	\$2,639.75	\$237.81	9.9%
3000	\$4,494.14	\$4,919.00	\$424.86	9.5%
5000	\$7,283.74	\$7,958.00	\$674.26	9.3%

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

In the matter of the Application of the San Gabriel Valley Water Company (U-337-W) for authority to increase rates charged for water service in its Los Angeles County Division service area by \$11,010,200 or 29.3% in July 2005; \$1,590,100 or 3.3% in July 2006; and \$1,798,600 or 3.6% in July 2007.

A.04-09-005  
(Filed September 1, 2004)

**ALL PARTIES JOINT STIPULATIONS AND COMPARISON  
EXHIBIT**

IT IS HEREBY STIPULATED AND AGREED by and between the Office of Ratepayer Advocates (ORA) and Applicant, the San Gabriel Valley Water Company (San Gabriel), (collectively hereafter referred to as the "Parties"), by their respective counsel, that:

**1. Cost of Capital**

1.1. The Parties stipulate to the following Capital Structure and Weighted Cost of Capital for the Test Year (Fiscal) as shown below:

	Test Year (Fiscal) 2005-2006		
	Capital Structure	Cost	Weighted Cost
Long term debt	40%	8.42%	3.37%
Common equity	60%	10.10%	6.06%
Total	100%		9.43%

1.2. The Parties agree to adopt for this GRC the cost of equity and imputed capital structure decided by the Commission in D.04-07-034, San Gabriel's recent general rate case application for the Fontana Water Company Division. The Parties also agree on the cost of long term debt for Test Year 2005-2006.

1.3. References: Tr. 4, 6, 82; Application at 3-4, 6, and 7; Ex. SG-3, SG-4, SG-11 at 2, SG-12, SG-17 at 1-6, and ORA-2 at Table 1-1.

**2. Sales and Customer Usages**

2.1. The Parties agree to use San Gabriel's forecast of average numbers of customers for all customer classes.

2.2. ORA accepts San Gabriel's annual average usage per customer for residential and large public authority.

2.3. San Gabriel agrees with ORA's annual average usage per customer for the following three customer classes:

	<u>Ccf/Customer</u>
Industrial - Small	797
Industrial - Large	14,717
Public Authority - Small	588

2.4. The following GRC amounts were adjusted to reflect the Parties' stipulations above and also the Water Loss stipulation in Item 3.1 below:

2.4.1. Water Supply; and

2.4.2. Purchased Power kWh.

2.5. The above stated stipulations are based on the Parties' individual research and review, and were agreed to as reasonable, in the public's interest, and consistent with the facts and the law.<sup>1</sup>

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<sup>1</sup> See Appendix B of the Comparative Exhibit for details of the above stated stipulations for the Test Year.

2.6. References: Tr. 7, 29, 47, 67, and 140; Ex. SG-2 at Chapter 4, SG-8 at 3-4, SG-9 at 2-3, SG-14 at 7-8, SG-15 at 2-8 and Attachment 1; and ORA-1 at 3-8.

**3. Water Loss**

3.1. The Parties agree to a Water Loss of 4.7% for the Test Year.

3.2. This figure represents the approximate midpoint between the Parties' initial estimates and also a 5-year recorded average of water loss (dropping the highest and lowest values).

3.3. References: Tr. 30, 68, and 140; Ex. SG-8 at 8-9, SG-14 at 8; and ORA-1 at 8-9.

**4. Capital Budget**

4.1. The Parties agree to adopt San Gabriel's recorded December 2004 rate base as the starting point for calculating the rate base for plant additions in the Test Year. San Gabriel's recorded 2004 year-end rate base is more accurate and reasonable to use than forecasted amounts.

4.2. As a result of its initiated pollution lawsuits, San Gabriel anticipates receiving during the Test Year a total of \$1,910,216. San Gabriel will record the following portions of the \$1,910,216, as a Contribution In Aid Of Construction (CIAC) for the following capital projects:

4.2.1. The GAC treatment project at Plant No. 8, \$1,000,500; and

4.2.2. The GAC treatment project at Plant G4, \$909,716.

4.3. The above stated CIACs will offset a corresponding amount of Construction Work in Progress (CWIP) in rate base.

4.4. Any amount received in excess of the \$1,000,500 CIAC for Plant No. 8 project and any amount received in excess of \$909,716 CIAC for Plant G4, will be recorded in the Water Quality Memorandum Account.

4.5. Regarding the capital projects that will not be completed and placed into service during the Test Year that are presented in Appendix C of the Comparison Exhibit, the Parties stipulate that San Gabriel by Advice

Letter will request Commission authority to reflect the project's capital costs in rates when each such capital project is completed and placed in service. This stipulation will avoid burdening ratepayers with the capital costs of projects until the project's operation actually benefits the ratepayers.

- 4.6. The General Division Account 372-I customer billing insertion machine replacement (\$350,000) will be included in the Year 2006-2007 rate base.
- 4.7. References: Tr. 4-6, 10, 26, 29-30, 47-50, 51-52, 57, 90, 134, 184-85; Application at 7; Ex. SG-1 at Chapter 6, SG-2 at 5-6 and at Chapter 8, SG-5, SG-6 at 8-12, SG-7 at 39-40, SG-9 at 4-13 and Attachment A, SG-13 at 11-15, SG-14 at 28-32, SG-15 at 8-23 and Attachments 2-4, SG-17 at 7-8; and ORA-1 at 20-21 and 37-42.

## 5. **New Employment Positions**

- 5.1. The Parties stipulate to the recovery through rates in the Test Year of the costs for Rate Analyst and "Plant Maintenance Man 'A'"; and the withdrawal of San Gabriel's proposals to hire a Regulatory Compliance Coordinator and a GIS Specialist.
- 5.2. The Parties agree that by Advice Letter San Gabriel will recover through rates the costs (i.e., direct salary plus pensions and benefits) of the new positions stated below when they are filled. The Advice Letter procedure avoids burdening ratepayers with these employment costs until the new position is actually filled and providing a benefit to ratepayers. This approach was used in D. 04-07-034, the Commission decision of the San Gabriel's GRC application for the Fontana Water Company Division.
  - 5.2.1. Assistant Purchasing Agent;
  - 5.2.2. Assistant Engineer;
  - 5.2.3. Water Quality Specialist; and
  - 5.2.4. Water Treatment Operator III.

5.3. In the above stated Advice Letter filings, San Gabriel will reduce the costs for the Water Quality Specialist and the Water Treatment Operator III in an amount corresponding to San Gabriel's recovery of these costs in pollution lawsuits brought by San Gabriel and according to the best estimates of such recovery at the time when the Advice Letters are filed. San Gabriel currently estimates that the costs of these two employment positions could be reduced by 20% and 75%, respectively.

5.4. References: Tr. 5, 10, 11, 26-28, 60, 74-78, 150-152, 191-192; Ex. SG-10 at 2-8, SG-14 at 12 and 13, SG-16 at 2-8, and ORA-1 at 15-19 and 26-28.

## **6. Working Cash**

6.1. Depreciation expense will be excluded from San Gabriel's working cash calculation for the Test Year.

6.2. For State and Federal income tax expenses incurred during the Test Year, 37.9 lag days will be used; for water assessments, 92.7 lag days; for other expenses, 6.9 lag days. The Parties stipulate to split the difference between San Gabriel's lag days for water assessments (-180.5) and "other expenses" (-1.3) and ORA's use of 366.0 and 15.0, respectively.

6.3. References: Tr. 28-29; Ex. SG-2 at 10-2, SG-7 at 24-29, SG-13 at 6-8; and ORA-1 at 43-44.

## **7. Utilities & Rents Expense**

7.1. A 5-year average will be used to calculate the Utilities & Rents Expense for the General Division.

7.2. ORA agrees with San Gabriel's use of 2003 recorded Utilities & Rents Expense as the basis for calculating the Test Year Utilities & Rents Expense for the General Division.

7.3. References: Tr. 5, 30-31, 145, and 192; Ex. SG-8 at 13-14, SG-14 at 15-16, and ORA-1 at 19.

**8. Transportation Expense**

- 8.1. San Gabriel's calculation for the Test Year of the Transportation Expense for the Los Angeles Division is adopted.
- 8.2. The Parties stipulate that San Gabriel's 1% adder to account for additional vehicles will not be used for the General Division (Account 903G) but only for the Los Angeles County Division.
- 8.3. References: Tr. 5, 31; 192; Ex. SG-1 at 6-4, SG-8 at 12, SG-14 at 16-17, and ORA-1 at 20, 28-29.

**9. Emergency Generators**

- 9.1. San Gabriel agrees to exclude from rates for this rate case cycle the capital cost of an emergency generator at its Site G-3.
- 9.2. By Advice Letter San Gabriel will recover through rates the costs of emergency generators at Sites B-24 and B-27.
- 9.3. The Parties agree to place in rate base for Years 2005 and 2007, the cost of the emergency generators at Sites M-2 and B-20, respectively.
- 9.4. San Gabriel will adjust Account 732 maintenance of additional emergency generators expense to conform to the Capital Budget stipulation in Items 9.1-9.3 above.
- 9.5. References: Tr. 26, 29-30 and 49-50; Ex. SG-14 at 20; and ORA-1 at 30.

**10. Pensions and Benefits**

- 10.1. San Gabriel's recorded 2003 Pension and Benefits Expenses will be the basis for calculating these Expenses for the Test Year. In this regard, San Gabriel agrees to reduce its forecasted Pensions and Benefits Expense in part due to the Parties' stipulations in Item 5 above.
- 10.2. References: Tr. 11, 19, 27-28, 32, 74-75, 78, 144, and 156; Ex. SG-1 at 4-3, SG-2 at 6-1, SG-8 at 14, SG-10 at 9-10, SG-14 at 17-19, SG-16 at 9-10, and ORA-1 at 29.

**11. Insurance**

11.1. San Gabriel's recorded 2004 Insurance Expense will be used as the basis for calculating this Expense for the Test Year. San Gabriel agrees to reduce its forecasted Insurance Expense to reflect the Parties' stipulations in Item 5 above.

11.2. References: Tr. 11, 19, 20, 27-28, 32, 74-76, and 152-158; Ex. SG-8 at 14-15, SG-10 at 8-9, SG-14 at 23-25, and ORA-1 at 30-31.

**12. Income Taxes**

12.1. For the Test Year, the Parties will use the 35% average Federal income tax rate and San Gabriel's forecasted tax depreciation deductions as adjusted to reflect the Parties' stipulations in Item 4 above.

12.2. References: Tr. 17, 28, 33, 186, 198-203; EX. SG-2 at 7-3, SG-13 at 5, SG-14 at 26, 27, and 31, and ORA-1 at 36.

**13. Escalation Rates**

13.1. To the extent that either Party references the Escalation Rates published in memoranda by M.G. Lyons of ORA Monopoly Regulation Branch, the Parties agree to use the September 30, 2004 version of those memoranda.

13.2. References: Tr. 11, 21, 31, 110-111, 120, 153, 159-160, 231-233, 243; ORA-1 at 24 and 31.

**14. Extension of Water Quality Memorandum Account**

14.1. The Parties stipulate that this Account should be maintained or terminated in accordance with D.02-10-058 and any other pertinent Commission authorities.

14.2. References: Tr. 11, 12, 16, 20, 93, 97, 98, 102, 106, 110, 120, 126, 130, 131, 132, 159, 161, 163-164, 166, 171-172, 174-175, 179, 194, 204-205, 207, 208-211, 213-217, and 224-225; Application at 5 and 12; Ex. SG-2 at 8-2, SG-7 at 40-43, SG-14 at 35-37, and ORA-1 at 50-51.

**15. Section 790, Proposed Audit, Section 851, and Section 455.5**

15.1. The Parties stipulate that in this GRC, the Commission does not need to decide any issue pertaining to Sections 790, 851, or 455.5. The Commission need not order ORA or the Water Division to perform an audit of a San Gabriel's treatment of sale of property under Section 790. Commission staff has authority to commence an audit on its own volition. Water Division is currently auditing the Fontana Water Company Division's Section 790 proceeds, which will be completed by May 2005.

15.2. References: Tr. 18, 34-44, 116-117, 203-204, and 240-241; Application at 6-7; Ex. SG-7 at 3-20, 22-24, and Attachments A-E, SG-13 at 9-11, and ORA-1 at 48.

**16. Comparison Exhibit**

16.1. The Parties stipulate to the attached Comparison Exhibit (in Microsoft Excel spreadsheet format), which is incorporated by reference as if fully stated here and consists of the following:

16.2. Appendix A (3 pages):

- "Summary of Earnings";
- "Utility Plant, Depreciation Reserve, and Rate Base"; and
- "Income Tax Calculation."

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16.3. Appendix B, "Adopted Quantities"; and

16.4. Appendix C, "Major Company-Funded Capital Budget Projects."

Dated: March 4, 2005

Respectfully submitted,

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Cleveland Lee

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Advocates

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APPENDIX A  
Page 1 of 3

San Gabriel Valley Water Company  
Los Angeles County Division

Summary of Earnings  
(Dollars in Thousands)

	Test Year 2005-2006			Escalation Year 2006-2007			Escalation Year 2007-2008					
	San Gabriel		Diff.	San Gabriel		Diff.	San Gabriel		Diff.			
	Original	Current		Original	Current		Original	Current				
ng Revenue	\$48,536.4	\$43,595.6	\$3,542.8	\$40,052.8	\$38,540.0	\$3,964.1	\$40,407.9	\$38,270.0	\$4,649.9	\$40,781.6	\$39,140.0	
g Expenses												
1 Purchased Water & Assess.	\$7,266.6	\$7,248.9	\$0.0	\$7,248.9	\$7,381.4	\$42.9	\$7,249.0	\$7,381.4	\$85.9	\$7,334.9	\$7,249.0	\$7,381.4
2 Purchased Power	\$3,189.6	\$3,186.9	\$0.0	\$3,186.9	\$3,234.8	\$12.3	\$3,186.9	\$3,234.8	\$24.7	\$3,211.6	\$3,186.9	\$3,234.8
3 Chemicals	\$843.2	\$843.3	\$0.0	\$843.3	\$843.3	\$29.0	\$836.5	\$836.5	\$890.9	\$890.1	\$51.4	\$838.7
4 Payroll	\$4,453.4	\$4,329.3	\$615.9	\$3,713.4	\$3,605.4	\$4,488.2	\$3,776.5	\$3,664.7	\$4,703.8	\$4,592.3	\$755.3	\$3,723.3
5 Materials & Supplies	\$428.8	\$428.9	\$0.0	\$428.9	\$428.9	\$7.6	\$432.6	\$432.6	\$453.1	\$452.7	\$10.8	\$441.9
6 Transportation	\$502.0	\$501.3	(\$0.7)	\$502.0	\$502.0	\$2.7	\$511.8	\$511.8	\$530.4	\$529.2	\$6.4	\$522.8
7 Pensions & Benefits	\$1,878.4	\$1,802.9	\$332.7	\$1,470.2	\$1,402.8	\$1,869.1	\$1,495.2	\$1,426.7	\$1,984.0	\$1,912.4	\$393.3	\$1,519.1
8 Uncollectibles	\$54.6	\$49.1	\$4.0	\$45.1	\$43.0	\$50.0	\$45.5	\$54.6	\$58.5	\$51.2	\$5.3	\$45.9
9 Franchise Fees	\$483.8	\$434.6	\$35.4	\$399.2	\$380.2	\$442.3	\$402.8	\$483.8	\$517.6	\$452.9	\$46.4	\$406.5
10 Outside Services	\$622.9	\$537.5	\$69.9	\$467.6	\$460.4	\$635.6	\$467.6	\$456.7	\$649.3	\$562.7	\$91.2	\$471.5
11 Insurance	\$612.4	\$602.5	\$96.0	\$506.5	\$506.5	\$616.2	\$515.1	\$515.1	\$638.4	\$630.8	\$107.4	\$523.4
12 Other O&M Expense	\$225.1	\$225.0	\$0.0	\$225.0	\$225.0	\$231.0	\$230.9	\$229.4	\$237.8	\$237.5	\$3.2	\$234.3
13 Other A&G Expense												
13a - Regulatory Comm. Expense	\$182.7	\$80.3	\$51.3	\$29.0	\$29.0	\$82.4	\$53.4	\$29.0	\$193.1	\$84.7	\$55.7	\$29.0
13b - Miscellaneous Expense	\$954.6	\$954.7	\$645.0	\$309.7	\$309.7	\$979.8	\$980.0	\$315.0	\$1,008.7	\$1,007.6	\$687.5	\$320.1
13c - Utilities & Rents Expense	\$14.1	\$14.0	\$0.3	\$13.7	\$6.4	\$14.5	\$14.4	\$6.5	\$14.9	\$14.8	\$0.6	\$6.6
13d - Admin. Exp. Transferred	(\$399.6)	(\$399.7)	\$0.0	(\$399.7)	(\$399.6)	(\$410.3)	(\$410.3)	(\$407.4)	(\$422.4)	(\$421.7)	(\$8.5)	(\$416.2)
14 Bank Charges	\$51.6	\$51.6	\$0.0	\$51.6	\$51.6	\$53.0	\$53.0	\$52.6	\$54.6	\$54.5	\$0.8	\$53.7
15 G.O. Allocation												
15a Payroll, P&B, Payroll Taxes	\$1,995.4	\$2,110.9	\$103.3	\$2,007.6	\$1,423.1	\$2,188.4	\$2,056.1	\$1,951.4	\$2,107.6	\$2,239.2	\$135.4	\$1,993.3
15b Other O&M, A&G, & Taxes	\$546.9	\$546.4	\$39.0	\$507.4	\$952.6	\$561.2	\$520.8	\$518.5	\$577.8	\$576.7	\$41.1	\$535.6
15c Insur, Contract.Serv. & Rents	\$193.6	\$190.3	\$5.4	\$184.9	\$84.0	\$197.6	\$194.6	\$197.4	\$201.8	\$199.2	\$5.7	\$193.5
15d Depreciation	\$164.1	\$155.2	\$6.1	\$149.1	\$0.0	\$163.7	\$169.0	\$150.8	\$203.3	\$182.9	\$17.5	\$165.4
15e Ad Valorem Taxes	\$14.0	\$15.2	\$3.5	\$11.7	\$11.4	\$16.5	\$17.5	\$12.0	\$19.0	\$19.8	\$7.6	\$12.2
16 Depreciation	\$4,067.3	\$3,880.1	\$31.4	\$3,848.7	\$4,392.0	\$4,356.4	\$4,046.9	\$4,543.9	\$4,645.5	\$4,213.6	\$183.2	\$4,030.4
17 Ad Valorem Taxes	\$1,436.2	\$1,375.5	\$87.1	\$1,288.4	\$1,130.7	\$1,622.9	\$1,479.9	\$1,152.2	\$1,809.5	\$1,584.2	(\$48.4)	\$1,176.4
18 Payroll Taxes	\$436.5	\$423.3	\$0.0	\$423.3	\$353.4	\$451.3	\$438.8	\$360.1	\$461.0	\$449.0	\$5.4	\$443.6
Subtotal	\$30,218.2	\$29,587.9	\$2,125.6	\$27,462.4	\$27,358.0	\$31,199.6	\$30,373.0	\$27,920.9	\$32,075.5	\$31,062.7	\$2,664.9	\$28,397.9
19 State Income Tax	\$1,268.1	\$941.5	\$137.8	\$803.7	\$898.0	\$1,249.4	\$932.8	\$143.6	\$789.2	\$969.0	\$194.3	\$774.7
20 Federal Income Tax	\$5,419.7	\$3,655.1	\$672.0	\$2,983.1	\$2,583.5	\$5,360.2	\$3,545.0	\$2,102.5	\$5,686.1	\$3,677.5	\$899.5	\$2,838.0
Total Operating Expense	\$36,905.9	\$34,184.4	\$2,935.4	\$31,249.2	\$30,839.5	\$37,799.2	\$34,850.8	\$30,587.6	\$39,117.2	\$35,709.1	\$3,698.6	\$32,010.6
Net Operating Revenues	\$11,630.5	\$9,411.2	\$607.7	\$8,803.5	\$7,700.5	\$12,327.4	\$9,521.1	\$7,338.8	\$12,808.0	\$9,722.4	\$951.4	\$8,771.0
21 Rate Base	\$104,125.6	\$99,798.2	\$6,441.4	\$93,356.8	\$86,050.0	\$110,380.4	\$100,801.5	\$7,617.3	\$93,184.1	\$85,645.8	\$9,899.5	\$85,241.6
Rate of Return	11.17%	9.43%	9.43%	9.43%	8.95%	11.17%	9.45%	9.43%	9.43%	9.43%	9.43%	8.99%

(continued)

## ATTACHMENT E

## APPENDIX A

Page 2 of 3

San Gabriel Valley Water Company  
Los Angeles County DivisionUtility Plant, Depreciation Reserve, and Rate Base  
(Dollars in Thousands)

	Test Year 2005-2006			Test Year 2006-2007		
	San Gabriel			San Gabriel		
	Original	Current	Difference	Original	Current	Difference
Utility Plant						
Plant BOY	\$187,921.4	\$169,616.4	\$13,845.9	\$208,435.2	\$185,890.0	\$5,843.9
CWIP BOY	\$1,829.6	\$4,396.2	N/A	\$1,829.6	\$4,396.2	N/A
Utility Additions	\$14,275.0	\$9,079.7	(\$1,092.1)	\$12,360.0	\$6,930.1	\$3,192.5
Advances	\$250.0	\$250.0	\$0.0	\$250.0	\$250.0	\$0.0
Contributions	\$6,805.0	\$7,760.1	(\$6,910.1)	\$625.0	\$625.0	(\$225.0)
Total Additions	\$21,330.0	\$17,089.8	(\$8,002.2)	\$13,235.0	\$7,805.1	\$2,967.5
Retirements	(\$809.4)	(\$809.4)	\$0.0	(\$809.4)	(\$809.4)	\$0.0
Transfers & Adjustments	(\$6.8)	(\$6.8)	\$0.0	(\$6.8)	(\$6.8)	\$0.0
Plant EOY	\$208,435.2	\$185,890.0	\$5,843.9	\$220,854.0	\$192,878.9	\$8,811.5
CWIP EOY	\$1,829.6	\$4,396.2	\$0.0	\$1,829.6	\$4,396.2	\$0.0
Weighted Plant Additions	\$10,256.8	\$8,136.7	N/A	\$6,209.4	\$3,494.5	N/A
Weighted Average Plant	\$200,007.9	\$182,149.3	N/A	\$216,474.2	\$193,780.5	N/A
Depreciation Reserve						
Reserve BOY	\$38,028.9	\$37,800.4	\$1,818.7	\$42,412.3	\$41,662.8	\$2,058.6
Clearing Account	\$209.2	\$210.4	\$4.7	\$217.8	\$219.9	\$4.8
Contributions	\$876.8	\$541.9	\$125.0	\$993.3	\$674.1	\$7.2
Depreciation Expense	\$4,067.4	\$3,880.1	\$110.6	\$4,356.5	\$4,046.9	\$119.0
Total Accrual	\$5,153.4	\$4,632.4	\$240.3	\$5,567.6	\$4,940.9	\$131.0
Retirements	(\$770.0)	(\$770.0)	\$0.0	(\$770.0)	(\$770.0)	\$0.0
Reserve EOY	\$42,412.3	\$41,662.8	\$2,058.6	\$47,209.9	\$45,833.7	\$2,189.6
Weighted Accrued Additions	\$2,191.7	\$1,931.6	N/A	\$2,398.8	\$2,085.8	N/A
Wtd. Average Depreciation Reserve	\$40,220.5	\$39,732.0	N/A	\$44,810.9	\$43,748.6	N/A
RATE BASE						
Utility Plant	\$200,007.9	\$182,149.3	(\$2,293.0)	\$216,474.2	\$193,780.5	\$5,316.8
Materials & Supplies	\$704.6	\$588.0	\$39.2	\$784.1	\$643.4	\$32.0
Operational Cash Allowance	\$14.0	\$14.0	\$0.0	\$14.0	\$14.0	\$0.0
Working Cash Allowance	\$469.2	\$83.4	\$174.8	\$513.1	\$103.9	\$244.3
Depreciation Reserve	(\$40,220.5)	(\$39,732.0)	(\$127.8)	(\$44,810.9)	(\$43,748.6)	(\$104.5)
Advances for Construction	(\$2,640.4)	(\$3,002.0)	\$0.0	(\$2,811.7)	(\$3,173.2)	\$0.0
Contributions	(\$46,661.8)	(\$34,007.6)	\$7,184.5	(\$52,244.8)	(\$41,048.0)	\$324.6
Deferred Taxes	(\$13,141.0)	(\$11,757.0)	\$643.2	(\$13,809.2)	(\$12,057.3)	\$495.2
Taxes on Advances and CIAC	\$651.4	\$651.4	(\$1.0)	\$676.7	\$676.7	(\$1.0)
District Rate Base	\$99,183.2	\$94,987.5	\$5,619.9	\$104,785.5	\$95,191.5	\$6,307.4
Common Utility Allocation	\$4,942.3	\$4,810.7	\$821.6	\$5,594.9	\$5,610.1	\$1,309.9
Average RATE BASE	\$104,125.6	\$99,798.2	\$6,441.4	\$110,380.4	\$100,801.5	\$7,617.3

(continued)

\$85,645.8



## ATTACHMENT E

## APPENDIX B

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San Gabriel Valley Water Company  
Los Angeles County DivisionQuantities  
(Dollars in Thousands)

1.	Net-to-Gross Multiplier:	1.800602
2.	Federal Income Tax Rate:	35.00%
3.	State Income Tax Rate:	8.84%
4.	Franchise Fee Rate:	0.9968%
5.	Uncollectibles Rate:	0.1126%

## 6. Number of Services &amp; Supply:

Class	No. of Services			Ccf/ Customer	Usage -Ccf		
	05-06	06-07	07-08		05-06	06-07	07-08
Residential	45,651	45,862	46,073	268	12,255,924	12,312,571	12,369,218
Commercial	476	478	480	6,359	3,026,884	3,039,602	3,052,320
Industrial, Small	92	92	92	797	73,324	73,324	73,324
Industrial, Large	69	70	71	14,717	1,015,473	1,015,473	1,015,473
Public Authority, Small	195	188	181	588	114,660	114,660	114,660
Public Authority, Large	120	121	122	8,433	1,011,960	1,011,960	1,011,960
Irrigation	5	5	5	100	500	500	500
Reclaimed - Contract	2	2	2	N/A	319,151	319,151	319,151
Reclaimed - Tariff	6	6	6	N/A	47,049	47,049	47,049
Subtotal	46,616	46,824	47,032		17,864,925	17,934,290	18,003,655
Private Fire Service	1070	1095	1120				
Total	47,686	47,919	48,152				
Water Loss @ 4.7%					881,061	884,482	887,903
Total Water Supply, Ccf					18,745,986	18,818,772	18,891,558
Total Water Supply, AF					43,034.9	43,202.0	43,369.1

(continued)

APPENDIX B  
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San Gabriel Valley Water Company  
Los Angeles County Division

Quantities  
(Dollars in Thousands)

7. Water Supply Quantities & Cost:

Water Production Cost 2003

Item	Unit Cost (\$/AF)	Test Year 2005-2006		Esc. Year 2006-2007		Esc. Year 2007-2008	
		Quantity Basis (AF)	Total Cost or Assessment (\$000)	Quantity Basis (AF)	Total Cost or Assessment (\$000)	Quantity Basis (AF)	Total Cost or Assessment (\$000)
<b>Main San Gabriel Basin</b>							
Replenishment Water Assessment	\$246.65	21,287.0	\$5,250.4	21,454.1	\$5,291.7	21,621.2	\$5,332.9
Cyclic Storage	\$125.65	445.0	\$55.9	445.0	\$55.9	445.0	\$55.9
Leased Water Rights	\$221.99	1,894.6	\$420.6	1,894.6	\$420.6	1,894.6	\$420.6
Watermaster Assessment	\$9.00	38,738.7	\$348.6	38,905.8	\$350.2	39,072.9	\$351.7
Reclaimed Water CSDofLAC	\$128.35	71.7	\$9.2	71.7	\$9.2	71.7	\$9.2
Reclaimed Water USGVMWD	\$266.00	35.0	\$9.3	35.0	\$9.3	35.0	\$9.3
Reclaimed Water USGVMWD (R.H.)	\$175.00	661.0	\$115.7	661.0	\$115.7	661.0	\$115.7
In Lieu Assessment	\$1.05	38,738.7	\$40.7	38,905.8	\$40.9	39,072.9	\$41.0
Association Assessment	\$0.40	38,446.2	\$15.4	38,738.7	\$15.5	38,905.8	\$15.6
WQA Assessment	\$7.25	19,911.2	\$144.4	19,911.2	\$144.4	19,911.2	\$144.4
SGV Protective Assessment	\$100.00		\$0.1		\$0.1		\$0.1
Subtotal Production		39,506.4	\$6,410.3	39,673.5	\$6,453.3	39,840.6	\$6,496.2
<b>CENTRAL BASIN</b>							
Purchased Water	\$488.00	971.9	\$474.3	971.9	\$474.3	971.9	\$474.3
Meter Charge	\$450.00		\$5.4		\$5.4		\$5.4
Capacity Charge	\$927.50		\$11.1		\$11.1		\$11.1
Replenishment Assessment	\$128.25	2,483.6	\$318.5	2,483.6	\$318.5	2,483.6	\$318.5
Reclaimed Water	\$299.00	73.0	\$21.8	73.0	\$21.8	73.0	\$21.8
WQ Administrative Assessment	\$0.30	2,616.0	\$0.8	2,616.0	\$0.8	2,616.0	\$0.8
Association Assessment	\$0.58	2,616.0	\$1.5	2,616.0	\$1.5	2,616.0	\$1.5
Watermaster Service Assessment	\$5,223.64		\$5.2		\$5.2		\$5.2
		3,528.5	\$838.6	3,528.5	\$838.6	3,528.5	\$838.6
Total		43,034.9	\$7,248.9	43,202.0	\$7,291.9	43,369.1	\$7,334.9
Composite			\$168.44		\$168.79		\$169.13

(continued)

## APPENDIX B

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San Gabriel Valley Water Company  
Los Angeles County DivisionQuantities  
(Dollars in Thousands)

## 8. Purchased Power Costs

	<u>Test Year 2005-2006</u>		<u>Escalation Year 2006-2007</u>		<u>Escalation Year 2007-2008</u>	
Schedule PA-1	\$0.108869	757,941	\$0.108869	760,884	\$0.108869	763,827
		\$82.5		\$82.8		\$83.2
Schedule PA-2	\$0.088945	768,700	\$0.088945	771,685	\$0.088945	774,669
		\$68.4		\$68.6		\$68.9
Schedule GS-1	\$0.414616	1,931	\$0.414616	1,938	\$0.414616	1,946
		\$0.8		\$0.8		\$0.8
Schedule GS-2	\$0.192792	49,680	\$0.192792	49,873	\$0.192792	50,066
		\$9.6		\$9.6		\$9.7
Schedule TOU-8	\$0.099713	25,444,146	\$0.099713	25,542,939	\$0.099713	25,641,732
		\$2,537.1		\$2,547.0		\$2,556.8
Schedule TOU-PA-A	\$0.114440	85,108	\$0.114440	85,438	\$0.114440	85,769
		\$9.7		\$9.8		\$9.8
Schedule TOU-PA-B	\$0.092875	1,275,479	\$0.092875	1,280,431	\$0.092875	1,285,384
		\$118.5		\$118.9		\$119.4
Schedule TOU-PA-5	\$0.075615	1,339,544	\$0.075615	1,344,745	\$0.075615	1,349,946
		\$101.3		\$101.7		\$102.1
Schedule TOU-GS-2B	\$0.159916	1,590,500	\$0.159916	1,596,676	\$0.159916	1,602,851
		\$254.3		\$255.3		\$256.3
Back-Up Generation (Diesel Fuel)						
	\$0.198564	23,400	\$0.198564	23,400	\$0.198564	23,400
		\$4.6		\$4.6		\$4.6
Total \$		\$3,186.9		\$3,199.2		\$3,211.6
Total kWh		31,336,429		31,458,010		31,579,590
\$/kWh		\$0.101698		\$0.101698		\$0.101698

## ATTACHMENT E

## APPENDIX B

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San Gabriel Valley Water Company  
Los Angeles County DivisionQuantities  
(Dollars in Thousands)

## 9. Number of Services by Meter Size

	TY	EY	EY
<u>Residential</u>	<u>2005-2006</u>	<u>2006-2007</u>	<u>2007-2008</u>
5/8 x 3/4-in.	34,816	34,976	35,137
3/4-In.	3,163	3,178	3,192
1-in.	5,999	6,027	6,055
1.5-in.	914	919	923
2-in.	756	759	763
3-in.	3	3	3
Subtotal:	<u>45,651</u>	<u>45,862</u>	<u>46,073</u>
<u>Commercial</u>			
5/8 x 3/4-in.	4	4	4
3/4-In.	1	1	1
1-in.	18	18	18
1.5-in.	43	44	44
2-in.	280	281	283
3-in.	2	2	2
4-in.	7	7	7
6-in.	8	8	8
8-in.	12	12	12
10-in.	2	2	2
2-2-in.	77	77	77
3-2-in.	15	15	15
4-2-in.	4	4	4
2-4-in.	3	3	3
Subtotal:	<u>476</u>	<u>478</u>	<u>480</u>
<u>Industrial, Large</u>			
1-in.	3	3	3
1.5-in.	9	9	9
2-in.	28	28	29
3-in.	2	2	2
4-in.	4	4	4
6-in.	1	1	1
8-in.	1	1	1
2-2-in.	14	15	15
3-2-in.	2	2	2
4-2-in.	3	3	3
3-3-in.	1	1	1
2-4-in.	1	1	1
Subtotal:	<u>69</u>	<u>70</u>	<u>71</u>

(continued)

## ATTACHMENT E

## APPENDIX B

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San Gabriel Valley Water Company  
Los Angeles County DivisionQuantities  
(Dollars in Thousands)

## 9. Number of Services by meter size (continued)

	TY	EY	EY
	2005-2006	2006-2007	2007-2008
<b><u>Industrial, Small</u></b>			
5/8 x 3/4-in.	24	24	24
3/4-in.	6	6	6
1-in.	20	20	20
1.5-in.	10	10	10
2-in.	32	32	32
Subtotal:	92	92	92
<b><u>Public Authority, Small</u></b>			
5/8 x 3/4-in.	32	31	29
3/4-in.	15	14	14
1-in.	30	29	28
1.5-in.	50	49	47
2-in.	67	64	62
3-in.	1	1	1
Subtotal:	195	188	181
<b><u>Public Authority, Large</u></b>			
1.5-in.	1	1	1
2-in.	42	42	43
3-in.	7	7	7
6-in.	1	1	1
8-in.	2	2	2
10-in.	1	1	1
2-2-in.	51	52	52
3-2-in.	9	9	9
4-2-in.	1	1	1
2-3-in.	1	1	1
2-4-in.	1	1	1
3-4-in.	2	2	2
1-8,1-2-in.	1	1	1
Subtotal:	120	121	122
<b><u>Irrigation</u></b>	5	5	5
<b><u>Reclaimed Water</u></b>	8	8	8
Total Metered:	46,616	46,824	47,032
<b><u>Private Fire Service</u></b>			
6.43" diameter (avg.)	1070	1,095	1120
Total Services	47,686	47,919	48,152

## ATTACHMENT E

## APPENDIX C

San Gabriel Valley Water Company  
Los Angeles County Division

## MAJOR COMPANY-FUNDED CAPITAL BUDGET PROJECTS

<u>Plant</u>	<u>Type of Addition</u>	<u>Budget Year</u>	<u>Estimated Cost</u>	<u>Amount Already in CWIP</u>	<u>Adopted Ratemaking Treatment</u>
No. 1	well, reservoir	2006	\$1,055,000	\$468	Advice Letter
No. 2	well	2005	\$415,000	\$15,065	Rate Base
No. 8	treatment	2005	\$1,350,000 a)	\$606	Rate Base
No. 11	wells (2)	2007	\$1,130,000		Advice Letter
B5	treatment	2005	\$2,750,000	\$177,138	Advice Letter
B12	reservoir	2005	\$1,050,000	\$170,000	Rate Base
B14	replace reservoir roof	2005	\$350,000	\$80,269	Rate Base
	reservoir, grading	2005	\$200,000		Advice Letter
	reservoir	2005	\$775,000		Advice Letter
	booster, reservoir	2007	\$1,470,000		Advice Letter
B20	booster station, generator	2007	\$450,000		Rate Base *
B24	well, reservoir	2005	\$1,810,000	\$451,031	Advice Letter
	booster, generator, reservoir	2005	\$1,560,000		Advice Letter
	reservoir	2006	\$650,000		Advice Letter
B27	booster station, generator	2005	\$660,000		Advice Letter
G3	booster, reservoir	2007	\$985,000		Rate Base *
G4	treatment	2004	\$750,000 b)		Rate Base
G6	site	2006	\$580,000		Advice Letter
	two lines	2007	\$610,000		Advice Letter
	reservoir re-coating	2007	\$150,000		Advice Letter
M2	booster, generator, reservoirs (2)	2005	\$2,210,000	\$270,104	Rate Base
M3	reservoir re-coating	2007	\$150,000		Rate Base *
M4	reservoir re-coating	2007	\$150,000		Rate Base *
W6	booster	2007	\$220,000		Rate Base *
various	security system	2005	\$1,500,000		Rate Base
New Office Building	land, building, furniture	2005-2007	\$10,675,000		At Issue
Peck-No.11-Durfee	main	2005	\$2,000,000		Advice Letter
Peck-Durfee-Workman	main	2006	\$1,800,000		Advice Letter
B24 to B12	main	2006	\$3,680,000		Advice Letter

\* Under ORA's proposed methodology, 2007 capital additions are not included in Test Year 2006-2007 Rate Base

a) In the application, San Gabriel projected that this 2004 \$1,800,000 project would be 25% contributed (\$450,000). The project has now been completed at a cost of \$2,215,696 of which at least \$1,000,500 will be received as a Contribution.

b) In the application, San Gabriel projected that this 2004 \$1,000,000 project would be 25% contributed (\$250,000). The project has now been completed at a cost of \$909,716 and will be 100% contributed.

(END OF ATTACHMENT E)