

Decision 10-12-059 December 16, 2010

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of the GOLDEN STATE WATER COMPANY (U133W) for an order authorizing it to increase rates for water service by \$2,911,400 or 29.9% in 2011 and by \$321,200 or 2.5% in 2012 in its Arden Cordova Service Area; to increase rates for water service by \$1,782,400 or 33.2% in 2011 and by -\$66,200 or -0.9% in 2012 in its Bay Point Service Area; to increase rates for water service by \$409,100 or 22.6% in 2011 and by \$23,300 or 1.0% in 2012 in its Clearlake Service Area; to increase rates for water service by \$1,467,000 or 48.5% in 2011 and by \$50,100 or 1.1% in 2012 in its Los Osos Service Area; to increase rates for water service by \$1,647,900 or 38.8% in 2011 and by \$343,200 or 5.9% in 2012 in its Ojai Service Area; to increase rates for water service by \$2,350,700 or 25.2% in 2011 and by \$363,200 or 3.1% in 2012 in its Santa Maria Service Area and; to increase rates for water service by \$799,500 or 6.5% in 2011 and by \$213,000 or 1.6% in 2012 in its Simi Valley Service Area.

Application 10-01-009
(Filed January 13, 2010)

**DECISION ON THE 2010 GENERAL RATE CASE FOR
GOLDEN STATE WATER COMPANY REGION I**

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**DECISION ON THE 2010 GENERAL RATE CASE FOR
GOLDEN STATE WATER COMPANY REGION I**

1. Summary

Golden State Water Company (Golden State) filed an application for an order authorizing it to increase rates to provide safe and reliable water service for the seven customer service areas in its Region I, composed of: Arden Cordova Service Area (Arden Cordova); Bay Point Service Area (Bay Point); Clearlake Service Area (Clearlake); Los Osos Service Area (Los Osos); Ojai Service Area (Ojai); Santa Maria Service Area (Santa Maria); and Simi Valley Service Area (Simi Valley). The application seeks rate increases based upon a forecast test year 2011 for all service areas and a 2012 post-test year rate adjustment.

This decision adopts the settlement¹ on most of the issues for the test year revenue requirement, as proposed, and then resolves all litigated or otherwise contested issues, except that we defer to a separate decision the ratemaking treatment for the abandonment of Bay Point's Hill Street water treatment facility and the replacement water agreement with the Contra Costa Water District. These issues were deferred to this proceeding in Decision 10-06-031 in Application 09-08-004. This decision also adopts a joint proposal by Golden State and the Division of Ratepayer Advocates (DRA) on a plan to address rate design in the next general rate case to address inconsistency in rate tiers between service areas and the allocation of costs between the fixed service charge and volumetric

¹ <http://docs.cpuc.ca.gov/efile/MOTION/121977.pdf>.

rates. These issues were identified in the Public Participation Hearings as important to individual ratepayers.

This proceeding remains open to address the abandonment of Bay Point's Hill Street water treatment facility and the replacement water agreement with the Contra Costa Water District.

The change in revenue requirements for each service area that would result from adopting the proposed settlement is shown in Appendix A of the Joint Settlement, under the DRA Stipulation column for each customer service area. DRA and Golden State have reviewed these numbers and agree that they reflect the settlement position of the parties. The information is summarized in the table below and excludes the litigated issues:

Customer Service Area	Revenue @ Present Rates	Revenue @ Proposed Rates	Increase \$	Increase %
Arden Cordova	\$9,574,000	\$11,284,400	\$1,710,400	17.9%
² Bay Point	\$5,060,000	\$6,889,000	\$1,829,000	36.1%
Clearlake	\$1,796,200	\$2,114,600	\$318,400	17.7%
Los Osos	\$2,903,700	\$3,662,000	\$758,300	26.1%
Ojai	\$4,138,600	\$5,221,700	\$1,083,100	26.2%
Santa Maria	\$9,326,800	\$10,253,300	\$926,500	9.9%

² The settled number for the Baypoint customer service area assumed Commission adoption of the settlement between DRA and Golden State in Application (A.) 09-08-004. However, in Decision (D.) 10-06-031, the Commission rejected the settlement and deferred the unresolved issues from A.09-08-004 to the current proceeding. The separate resolution of these issues in a later decision will affect the final rates for Bay Point customers.

Simi Valley	\$11,317,500	\$11,806,200	\$488,700	4.3%
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2. Standard of Review

Golden State Water Company (Golden State) bears the burden of proof to show that the rates it requests are just and reasonable and the related ratemaking mechanisms are fair.

In order for the Commission to consider any possible proposed settlement in this proceeding as being in the public interest, the Commission must be convinced that the parties had a sound and thorough understanding of the application, and all of the underlying assumptions and data included in the record. This level of understanding of the application and development of an adequate record is necessary to meet our requirements for considering any settlement.

3. Adopting a Proposed Settlement

As the United States Court of Appeals for the Ninth Circuit has observed, in evaluating a settlement the agreement must stand or fall on its own terms, not compared to some hypothetical result that the negotiators might have achieved, or that some believe should have been achieved:

Settlement is the offspring of compromise; the question we address is not whether the final product could be prettier, smarter or snazzier, but whether it is fair, adequate and free from collusion. (*Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1027 (9th Cir. 1998).

Based upon our review of the extensive prepared testimony, evidentiary hearings and comprehensive briefing of the litigated applications, we find that the parties to the settlement had a sound and thorough understanding of the application, and all of the underlying assumptions and data included in the record and, thus, we can consider the various settlements as offered by

competent and well-prepared parties able to make informed choices in the settlement process.

3.1. Pertinent Commission Rules

The Commission's Rules of Practice and Procedure (Rules) specifically address the requirements for adoption of proposed settlements in Rule 12.1 *Proposal of Settlements*, and subject to certain limitations in Rule 12.5 *Adoption Binding, Not Precedential*.³ Specifically, Rule 12.1(a) states:

Parties may, by written motion any time after the first prehearing conference and within 30 days after the last day of hearing, propose settlements on the resolution of any material issue of law or fact or on a mutually agreeable outcome to the proceeding. Settlements need not be joined by all parties; however, settlements in applications must be signed by the applicant and, in complaints, by the complainant and defendant.

The motion shall contain a statement of the factual and legal considerations adequate to advise the Commission of the scope of the settlement and of the grounds on which adoption is urged. Resolution shall be limited to the issues in that proceeding and shall not extend to substantive issues which may come before the Commission in other or future proceedings.

When a settlement pertains to a proceeding under a Rate Case Plan or other proceeding in which a comparison exhibit would ordinarily be filed, the motion must be supported by a comparison exhibit indicating the impact of the settlement in relation to the utility's application and, if the participating staff supports the settlement, in relation to the issues staff contested, or would have contested, in a hearing.

³ http://docs.cpuc.ca.gov/published/RULES_PRAC_PROC/105138-11.htm#P623_143939.

Rule 12.1(d) provides that:

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

Rule 12.5 limits the future applicability of a settlement:

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

3.2. Required Findings – Rules 12.1(d) and Rule 12.5

Based upon the record of this proceeding we find the parties complied with Rule 12.1(a) by making the appropriate filings and noticing a settlement conference. Based upon our review of the settlement documents we find that they contain a statement of the factual and legal considerations adequate to advise the Commission of the scope of the settlement and of the grounds for its adoption; that the settlement was limited to the issues in this proceeding; and that the settlement included a comparison indicating the impact of the settlement in relation to the utility's application and issues the Division of Ratepayer Advocate (DRA) staff contested in its prepared testimony, or would have contested in a hearing. These two findings that the settlement complies with Rule 12.1(a), allow us to conclude, pursuant to Rule 12.1(d), that the settlement is reasonable in light of the whole record, consistent with law, and in the public interest.

Based upon our review of the settlement document we find, pursuant to Rule 12.5, that the proposed settlement would not bind or otherwise impose a precedent in this or any future proceeding. We specifically note, therefore, that

Golden State must not presume in any subsequent applications that the Commission would deem the outcome adopted herein to be presumed reasonable and it must, therefore, fully justify every request and ratemaking proposal without reference to, or reliance on, the adoption of this settlement.

4. Summary of the Region I Test Year 2011 Settlement Agreement

On August 9, 2010 Golden State and DRA filed a joint motion to adopt a settlement and attached a detailed settlement document (respectively, Motion and Settlement).⁴ Golden State and DRA prepared a very detailed and precise settlement proposal which clearly shows the differences in the final litigation position and the agreed upon compromise for every category. As an example, the following detail shows both the final dollar allowance in rates as well as a specific obligation: in this case, Golden State will receive \$67,400 in 2010 revenue requirement and will also “continue to replace Meters as needed.”

Simi Valley Point Blanket Item - Meters - [Golden State] requested \$91,500 in 2010, \$97,400 in 2011, and \$102,100 in 2012 for meters. DRA recommended \$62,700 in 2010, \$63,700 in 2011, and \$63,700 in 2012 for meters. After discussions between [Golden State] and DRA it was agreed that it was reasonable to include \$67,400 in 2010, \$71,000 in 2011, and \$73,600 in 2012. [Golden State] will continue to replace Meters as needed. (Proposed Settlement at 23.)

This example highlights two important points. First, if the terms, description, or conditions are not in the settlement, there is no other basis to determine what was allowed for rates or what Golden State is obliged to do (or not do). Second, Golden State cannot abrogate its obligation to do whatever it

⁴ <http://docs.cpuc.ca.gov/efile/MOTION/121977.pdf>.

must do to maintain or restore safe and reliable service even if the necessary actions were not foreseen in the settlement, because, as noted in the above example, “Golden State will continue to replace Meters as needed.” (Emphasis added.) The Motion to adopt the settlement includes the same obligation, that the company would prudently manage “actual costs incurred in 2010, 2011 and 2012 [and these costs] may differ due to operational needs and changes that may arise.” (Motion at 3.⁵)

4.1. Capital Projects

For the rate base projects included in the settlement, Golden State and DRA agreed to cost estimates for a large number of projects and these projects are included in rates. There is a list (Motion at 6 - 9) of the projects and the settlement details each agreement. For example:

Ojai Foothill Blvd & Valley View Booster Station- [Golden State] requested \$64,700 in 2010 and \$692,900 in 2011 to install 3,300 feet of new 8" DIP on Foothill Blvd from Valley View Booster Station to Heidelberger Tank. DRA recommended \$64,700 and \$692,900 for this project. After adjusting for the agreed upon contingency and escalation rates it was agreed [Golden State] would install 3300 feet of new 8" DIP for a total cost of \$63,200 in 2010 and \$656,100 in 2011. (Settlement at 20.)

⁵ See also in relation to capital expenditures: “Due to the forward looking nature of the ratemaking process for water utility [general rate cases] actual expenditures for capital additions can and do change between the time rates are set and the time events occur. The above listed agreed upon capital additional amounts are estimates and actual costs incurred in 2010, 2011 & 2012 may differ due operational needs and changes that arise. [Golden State] will conduct prudent management review of changes from those cost estimates agreed to above.” (Proposed Settlement at 27.)

This example is consistent with the other components: there is clarity on the project, its scope and cost. Thus these costs are capped in the rates at this settlement. Actual cost variance will be reflected in subsequent general rate proceedings where we expect Golden State to present beginning plant balances included in rate base that are reflected at actual cost, net of depreciation, consistent with standard Commission ratemaking practices.

For two specific rate base projects included in the settlement, Golden State and DRA agreed and proposed that the company could “file advice letters seeking authorization to include in rate base, upon completion, the actual costs of the plant additions set forth herein and to receive a corresponding rate adjustment for the additional rate base.” (Proposed Settlement, § 2.05 at 28.) These are the Arden Cordova Coloma treatment Plant Grounding Survey forecast to cost \$98,800; and the Arden Cordova Meter Retrofit Program forecast to cost \$1,451,777 over two years.

This is a reasonable outcome because it allows Golden State timely recovery if it actually builds either project, or it protects the ratepayers from paying on projects which do not materialize on time or ever.

We find that this is a very useful and reasonable compromise – because it allows Golden State timely recovery, subject to a cap, if it actually builds either project, and it protects the ratepayers from paying on projects which do not materialize on time or ever, thus, Golden State may recover the costs of a disputed project only if and when it is actually constructed and operational. All actions agreed to in the settlement are defined and limited solely as described in the settlement. Golden State must make any necessary filing to implement the specific terms of the settlement as Tier 2 advice letters.

5. Disputed Issues

5.1. Background

Apart from the proposed settlement Golden State and DRA could not agree upon the need for 5 wells, 30 pipeline relocations or installations, a backhoe, a trailer, and a dump truck. (DRA Opening Brief at 34.) Golden State, when looked at in total, is a very large company by most standards (not international-oil-company-large, but certainly a very large enterprise) and part of a larger national network of companies.⁶ The service areas are, by contrast, quite small, and under the Commission's current regulatory practices, the rates charged to customers must be self-sufficient to sustain the operations; that is, there is no deliberate significant cross subsidization other than potential efficiencies from central corporate operations. (This is not a finding that there are efficiencies; the primary point is that the service areas are required to be financially self-sustaining.) The service areas in Region I vary in size, three of which would qualify as Class A companies on their own with more than 10,000 service connections, while the others would be Class B (2,000 – 9,999 customers).⁷ For these smaller service areas a large capital project can translate to a significant rate impact.

For two specific rate base projects included in the settlement, Golden State and DRA agreed and proposed that the company could “file advice letters

⁶ Golden State is a wholly-owned subsidiary of American States Water Company which is traded on the New York Stock Exchange (ID = AWR) with a market capitalization of approximately \$689 million. (<http://phx.corporate-ir.net/phoenix.zhtml?c=87080&p=irol-fundtrading>.)

⁷ Arden Cordova has 16,600; Bay Point 4,800; Clearlake 2,200; Los Osos 3,200; Ojai 2,900; Santa Maria 13,400; and Simi Valley 13,200. (Settlement Agreement at 29 – 32.)

seeking authorization to include in rate base, upon completion, the actual costs of the plant additions set forth herein and to receive a corresponding rate adjustment for the additional rate base.” (Proposed Settlement at 28.) This is a reasonable outcome because it allows Golden State timely recovery if it actually builds either project, and it protects the ratepayers from paying on projects which do not materialize on time or ever. We will therefore, adopt the same practice for all of the disputed capital additions that are approved. We do this because we are mindful of the significant cost impacts on customers in small service areas when a major project (in terms of that operation) is added to rates, and because we are equally mindful of the need to safe and reliable water in adequate quantities.

5.2. Allowance for Funds Used During Constructions

For all disputed capital items adopted in this decision rate recovery is conditioned upon the plant being constructed (or acquired) and placed in service as used and useful. Recovery is via subsequent advice letter. During the time that such projects are under development and construction Golden State may accrue an allowance for funds used during construction on the accrued expenditures to offset the cost of financing project construction. This allowance is in lieu of allowing either a forecast of construction work in progress or forecasting an in-service date to include these projects in rates on January 1, 2011.

6. Wells

6.1. Ojai Mutual Well #6

Golden State devoted six pages of its opening brief to the proposition that Mutual Well #5 in the Ojai service area has reached the end of its useful life and it needs a new Well #6. Ojai is a very small operation, with approximately 2,900 connections, so the estimated cost of \$2,207,000 (Ex. G-9 at 15-16) would have a

considerable impact. The applicant chronicles the decline of Well #5 in prepared testimony and under cross-examination. The well lining has holes, it has been repaired repeatedly, and since 2000 it has had five pump replacements (DRA Opening Brief at 4).

DRA argues the new Well #6 is not needed, and that the company can continue to serve Ojai customers by further patching and cobbling repairs on Well #5. DRA further argues even without Well #5 Golden State can meet the Maximum Day Demand required by the California Department of Health Regulation § 64554(c)⁸ which requires meeting the Maximum Day Demand “with the highest-capacity source off line.” (DRA Opening Brief at 3.) DRA goes on to argue that this requirement only applies at the time of an “initial permit” and that “all wells at issue are part of systems that have existing permits. Thus it is reasonable to conclude that none of these systems are among those that [the California Department of Health] requires to have a backup well to meet [Maximum Day Demand] with the highest capacity source off line.” (*Id.*)

Golden State cites instead to the need to replace an aged well that has had significant repairs in recent years and ongoing repairs would be inadequate

⁸ (c) Community water systems using only groundwater shall have a minimum of two approved sources before being granted an initial permit The system shall be capable of meeting [Maximum Day Demand] with the highest-capacity source off line.
<http://weblinks.westlaw.com/result/default.aspx?action=Search&cfid=1&cnt=DOC&db=CA%2DADC&eq=search&fmqv=c&fn=%5Ftop&method=TNC&n=1&origin=Search&query=CI%28%22CA+ADC+S+64554%22%29&rlt=CLID%5FQRYRLT40423458141710&rltdb=CLID%5FDB29142458141710&rlti=1&rp=%2Fsearch%2Fdefault%2Ewl&rs=GV T1%2E0&service=Search&sp=CCR%2D1000&srch=TRUE&ss=CNT&sskey=CLID%5FSSA81157458141710&sv=Split&tempinfo=FINDD&vr=2%2E0>.

when compared to a new well. If Well #5 fails permanently then purchased water would be very expensive. (Golden State Opening Brief at 2 – 7.)

We find that DRA’s reliance on § 64554(c) is a strained interpretation: DRA would have us accept that because Ojai is not seeking an “initial” permit it need not have a backup well (or a replacement for a dying well). This is not reasonable. Ratepayers need to have a reliable water supply. At some point an old well is untenable,⁹ and we are convinced by Golden State that Well #5 needs to be replaced by the proposed Well #6. The fundamental point of § 64554 is stated in its opening paragraph: “At all times, a public water system's water source(s) shall have the capacity to meet the system's maximum day demand (MDD).” We are not proposing some high level of redundancy to ensure water in every conceivable scenario, only sufficient resources to meet the requirements of § 64554 in normal circumstances. We find Golden State more persuasive than DRA on the need to build Well #6. We will therefore, allow Golden State to file an Advice Letter to put the actual costs of Well #6 in rates, subject to a construction cost cap of \$2,207,000 but only if and when the well has been constructed and has become operational. This is consistent with the Settlement’s treatment for several facilities where there was a concern about the timing of construction. (See Settlement § 2.05.)

⁹ At no point in this proceeding did DRA assert that Golden State was imprudent over time in its maintenance of Well #5. This dispute is whether Well #5 can limp along a while longer or whether it is now time to build Well #6.

6.2. Country Club Replacement Well (Edna Road System)

Golden State proposed a new well to replace a recently abandoned well for the Edna Road System at a cost of \$2,555,700. (Golden State Opening Brief at 8 citing to Ex. G-12 at 54-56.) Golden State relies on the requirement of § 64554(a) to meet Maximum Day Demand at all times. Wells are a very expensive item for a small service area like Los Osos with only 3,200 customers.

DRA disputes the proposal and argues that Golden State provided incomplete operating data obscuring the critical question of whether the existing two wells on the system can meet the 457 gallons per minute (gpm) Maximum Day Demand. (DRA Opening Brief at 6 ff.) The dispute hangs on missing production data that DRA believes is critical to demonstrate the ability of the existing wells to serve customers.

The rated capacity of the two remaining wells is 500 gpm each; however wells do not perform at design levels forever. Thus the question is whether these wells can meet Maximum Day Demand. Golden State argues the two remaining wells are close together and thus cannot simultaneously produce sufficient water. (Ex. G-12-A-4 (Edna Road Master Plan) at 5-5, cited in Golden State's Opening Brief at 9.)

We find that DRA is persuasive (DRA Opening Brief at 7) in that Golden State has not provided sufficient data to conclusively show the need for this well under all conditions in the recent past. Nevertheless we are faced with the dilemma of whether Golden State will have sufficient water or not. Equally, is Golden State over-building rate base or building prematurely? Los Osos is the equivalent of a very small Class B water utility. Thus we have serious concerns about both adequate service and rate shock; the initial rate request for Los Osos

was for a 48.5% increase. On the whole we conclude Golden State has not proven the need at this time for the well and we will not adopt the forecast in rates.

6.3. Foxencanyon Well – Sisquoc System in the Santa Maria Service Area

Sisquoc is a small, unconnected portion of the Santa Maria service area with only 72 residential customers and Golden State proposes a new well at a cost of \$2,551,700 (Ex. G-9 at 26 – 28). Final costs are \$2,743,100 including design and property, etc. There is only one existing well and the dispute is whether a second well is needed. The only back-up is a 20,000 gallon storage tank to meet the 100 gpm Maximum Day Demand. The company argues the new well or an additional 144,000 gallons of storage is needed to comply with § 64554(a)(2). (Golden State Opening Brief at 10.) Absent 6 more 20,000 gallon tanks or an interconnection to the rest of Santa Maria, either the system survives as is or a new well is added. The current well has a 10-year old pump in service which already exceeds most pumps' useful lives of five to seven years. (Transcript at 390 – 391.) Fortunately for these 72 customers, their rates are calculated as a part of Santa Maria's 13,400 customer base. Clearly these 72 customers could not support a new \$2,743,100 well.

DRA argues that the Department of Health Services has found the one well to be safe and providing "wholesome and potable water." (DRA Opening Brief at 8.) Unfortunately, one well, with an ancient pump, simply is not a viable water supply. We discount the option of trucking replacement water as an unreliable and unsustainable option in lieu of a second well. We do not believe the systems need to be so over-built to withstand all plausible adverse events. The concept of Maximum Day Demand cannot be used blindly; it is only rational

for normal conditions: if there are outages or other crisis events, we expect people to conserve or even be rationed temporarily until there are repairs.

We find that Golden State has justified the need to build the Foxencanyon Well. We will, therefore, allow Golden State to file an Advice Letter to put the actual costs of Foxencanyon Well in rates, subject to a construction cost cap of \$2,743,100 but only if and when the well has been constructed and has become operational.

6.4. Vineyard Well #6 Lake Marie System

Lake Marie is another stand-alone system with a Maximum Day Demand of 350 gpm. Well #5 has holes including a hole in its lining thus debris can enter and damage the pump. The only other functioning well is Well #3 and it was built in 1958. It too has damage. The proposed new well, Vineyard Well #6 is forecast to cost \$2,080,800. (Golden State Opening Brief at 14.)

DRA argues the company has not considered other alternatives, including trucking water (when Well #5 is out of service) or more storage.

We find that Golden State has justified the need to build the Vineyard Well #6. We will therefore, allow Golden State to file an Advice Letter to put the actual costs of Vineyard Well #6 in rates, subject to a construction cost cap of \$2,080,800 but only if and when the well has been constructed and has become operational.

6.5. Tanglewood Well #3

Tanglewood Wells #1 and #2 are both out of service as of the filing of Opening Briefs. Both wells are over 50 years old, both have nitrate contamination issues and not only is Golden State planning on abandoning

Well #2, it intends to “raze” the well.¹⁰ At the moment, water is purchased from the Central Coast Water Authority at \$2,000 per acre-foot (325,851.4 gallons). (Golden State Opening Brief at 16.) Tanglewood Well #3 would cost \$2,817,800. (Ex. G-9 at 30.)

DRA argues there is a functioning interconnection which will ensure meeting Maximum Day Demand, along with an ion-exchange unit installed on Well #1. Further, DRA does not believe that Golden State has proven the need for a new well or that Well #2 must be abandoned. (DRA Opening Brief at 11 – 12.)

None of the well proposals are an easy choice – there are questions concerning the high costs with attendant rate impacts, and DRA’s concerns that Golden State has been less than forthcoming in data and analysis to adequately justify these wells (not just Tanglewood #3). With Tanglewood we face two very old wells and the uncertainty of ongoing viability for both water production and water quality. We find in this instance that it is prudent to add a new well rather than rely on two old and contaminated wells. We will therefore, allow Golden State to file an Advice Letter to put the actual costs of Tanglewood Well #3 in rates, subject to a construction cost cap of \$2,817,800 but only if and when the well has been constructed and has become operational.

7. Pipeline Projects

There are 31 disputed pipeline projects. There are nine projects categorized as those with no previous leaks reported in the last 5 years (11 in

¹⁰ Raze: a verb [with object] (usually be razed) completely destroy (a building, town, or other site): Villages were razed to the ground. (http://oxforddictionaries.com/view/entry/m_en_gb0689010#m_en_gb0689010.)

Arden Cordova, 1 in Clearlake, 2 in Ojai, and 4 in Santa Maria). There are nine more projects which Golden State admits were not “fully identified” in its Pipeline Replacement Program Report (5 in Los Osos, and 4 in Simi). And finally, there are four more “other contested projects” (1 in Bay Point, 2 in Arden Cordova, and 1 in Clearlake). (Golden State Opening Brief, at 24 - 33.) Golden State argues these projects were identified after a complete and rigorous analysis as a part of a formal review. Golden State argues that its study comported with “industry-recognized standards promulgated by the American Water Works Association ... the national Association of Clean Water Agencies ... the Association of Metropolitan Water Agencies ... the Water Environmental Federation ... and the [Congressional Budget Office] to evaluate pipeline replacement needs objectively.” Thus Golden State argues it undertook a risk assessment analysis including “Consequence and Likelihood Matrices.” This resulted in each potential project receiving a score based on the severity of consequences and the likelihood of failure. (Golden State Opening Brief at 20, ff.) Golden State argues that DRA pursued an “ad hoc” approach to reviewing the proposed projects resulting in an inadequate “no leak, no replacement” policy.

DRA argues the company’s proposal is essentially *all hat and no cattle*. That is, the company presents the framework of a complex analysis that “appears rational, [but] it usually lacks underlying data to justify the particular pipeline projects it proposes.” DRA instead “... requests the Commission consider the factors of age, leak history, and life expectancy, but not risk and consequence, hydraulic deficiency, whether a pipeline is critical infrastructure, fire flow deficiency, or whether a pipe is located in a backyard or alley.” DRA argues these latter considerations are not relevant. DRA’s other two principle objections are that the company focuses on replacement and relocation rather than

maintenance, and the level of expenditure is excessive when compared to the historical trend. (DRA Opening Brief at 13.)

DRA argues the company's consequence and likelihood analysis is far too subjective to be reliable and that the company has not prioritized the projects to achieve the highest risk reduction for actual expenditure. DRA argues its own three criteria of age, leak history, and life expectancy are more objective. DRA also argues that fire flow requirements should be considered only after a pipeline is objectively selected for replacement and should not be a criterion for selecting pipelines for replacement.

Golden State uses the Ojai system as an example arguing that pipelines built 50 - 60 years ago were only repaired or replaced when they leaked or failed. Thus Golden State now needs a "proactive" program to replace pipelines. (Golden State Opening Brief at 23 - 24.) This is an interesting choice of an example. There was a significant pipeline leak directly in front of Golden State's Ojai office the morning of the Public Participation Hearing on June 17, 2010. (Ojai Post at 1, June 18, 2010.) There will be a further discussion on the history and efficacy of the past 10-years' expenditures for the Ojai system and whether there has been any discernible pattern of improvement.

DRA argues that Golden State's proposed expenditures are not credible when compared to the history of actual expenditures and cites the example of an extreme increase in Arden Cordova where the company proposes to spend \$1,627,800 in 2010; \$1,026,000 in 2011; and \$1,256,500 for 2012, but only spent an annual average of \$239,476 in Arden Cordova over the last five years. (DRA Opening brief at 19.) The 2010 forecast is 6.8 times the size of the five-year average.

We are very concerned about the very large increases proposed by Golden State especially in light of prior levels of expenditures and our concerns always about the efficacy of these sorts of expenditures. Consistent with our approach on the disputed wells, we will again adopt a mechanism that the company may file advice letters seeking authorization to include in rate base, upon completion, the actual costs of the plant additions for the disputed pipeline replacement projects and to receive a corresponding rate adjustment for the additional rate base. This is a reasonable outcome because it allows Golden State timely recovery if it actually builds the project, and it protects the ratepayers from paying on projects which do not materialize on time or ever. We do this because we are mindful of the significant cost impacts on customers in small service areas when a major project (in terms of that operation) is added to rates, and because we are equally mindful of the need to safe and reliable water in adequate quantities. Because of the large number of projects, 31, Golden State must bundle the filings into single monthly advice letters for multiple service areas.

8. Dump Truck, Trailer, and Backhoe

Golden State requests a new dump truck to replace an old one which has been over-worked carrying a 15-year-old backhoe which is itself undersized for current needs in the Santa Maria Service Area. To carry the new, more efficient \$85,000 backhoe, the new \$120,000 truck would need a new \$50,000 trailer. DRA argues the old trio is still functional and has had recent repairs and improvements which mean the three existing pieces of equipment are adequate for current needs. (Golden State Opening Brief at 35 and DRA at 34.)

Given the age of the current equipment, and Golden State's assertion that it will be more efficient, we will adopt the forecast costs for this equipment. We note that the construction and maintenance programs also adopted in this

decision are major expansions in all service areas and we will allow this expenditure. We will condition the recovery in the same manner as we have conditioned the other disputed expenditures: the company may file an advice letter seeking authorization to include in rate base, upon purchase and delivery, the actual costs of the dump truck, trailer, and backhoe, up to the limit of the forecast for each item.

9. Rate Design Issues Identified by Customers

After the Public Participation Hearings, most notably in Santa Maria and Ojai on June 23 and 24, 2010, the assigned Administrative Law Judge (ALJ) directed Golden State and DRA to examine and address two issues. The first is the allocation of revenue requirement between the fixed rate service charge component and the volumetric rate component within a customer's bill. This issue arose because customers complained that personal conservation efforts were not sufficiently financially rewarded by an appreciable lowering of the bill – i.e., too much of the bill was perceived to be in the service charge¹¹ and not enough cost allocated to the volumetric charge. The second related issue is the relative volume allowances in the volumetric rate tiers, i.e., the lowest cost first tier differs sometimes quite widely between service areas' rate designs.

On August 20, 2010 the parties served a joint exhibit, the Supplemental Report on Rate Design (Ex. D-28). This report explains the allocation of revenues between the service charge and quantity revenues in all service areas, and

¹¹ An added nuisance is that this service charge is deceptively called a "meter charge" which lets some people deliberately or accidentally confuse the fixed service charge with a charge solely to recover the costs of the physical meter. Golden State should endeavor to eliminate "meter charge" from its lexicon.

compares the tier width and price differential between Ojai and other service areas. Further, the report describes the analysis that Golden State and DRA will perform in order to thoroughly evaluate the rate design in preparation for proposing changes in the next general rate case. The parties were completely responsive to the ALJ's directives and prepared a detailed summary and addressed the history where the Commission has approved rate designs that are geared towards meeting the "California Urban Water Conservation Council's ... Best Management Practice ... [Number] 1.4, which sets a target of recovering 30% of total revenue through the service charge and 70% of total revenue through the quantity charge." (*Id.* at 2.) The report further examines the introduction of tiered rates and their role in encouraging conservation.

The value of this report lies in the agreement on how the parties will address for all service areas (1) the allocation between service charge and commodity rate and (2) the tier width and price differential between tiers in the proposed rate design for Golden State's next general rate case. (*Id.* at 7 - 9.)

Therefore, we will direct Golden State to specifically cite to and indicate its compliance with, or any deviations from, the agreement embodied in Ex. D-28 in its next general rate application and prepared testimony. (Excerpted in Appendix 1.)

10. Water Quality

The rate case plan (Decision (D.) 07-05-062 at Ordering Paragraph 8) requires that we address water quality consistent with *Hartwell Corp. v. Superior Court*, 27 Cal.4th 256 (2002). By Ruling dated June 10, 2010 a draft Report on Water Quality Report for Golden State Water Company Region I was circulated for comments to Golden State and DRA. Following comments on the draft filed on July 1, 2010, the Commission's Division of Water and Audits served a final

report on July 15, 2010. We receive that report into the record as Reference Exhibit 1 (RE-1). Based upon that report we find that Region I is in compliance with all state drinking water standards and has no outstanding enforcement actions against the water system from the California Department of Health Services.

11. Ojai Historical Review

As a result of public input at Public Participation Hearings, and more generally because of the very large increases in capital additions and repairs proposed in the application, the assigned ALJ directed Golden State to serve additional testimony on a 10-year comprehensive history of the construction, maintenance and repair, and operation of infrastructure for the Ojai Service Area.¹² This process was meant to be an example, with later potential application to the company as a whole. Because it was raised by the assigned ALJ late in the proceeding, the ALJ intended that the review be limited to Ojai as a manageable scope of inquiry and as a reasonable response to customer input. As a result, Golden State served a late exhibit (Ex. G-60) on August 22, 2010, DRA served responsive testimony on September 22, 2010 (Ex. D-29), and Golden State was permitted to serve reply testimony on October 4, 2010 (Ex. G-61).¹³ No evidentiary hearing was held to examine these exhibits and their sponsors. Golden State provided a substantial amount of information and DRA supplemented that through discovery.

¹² There were three discussions on the record on June 17, June 21, and June 22, 2010. The transcript shows the ALJ struggling to articulate the concerns in a way so that the parties could meaningfully examine the issue. The parties responded in good faith to the request.

DRA made an important observation, that:

...there is no set guideline or standard in place to assist in determining whether a water utility's infrastructure has been improving or not based on its level of past expenditure or investment. For example, without extensive data gathering and analysis, it would be unclear on what the direct relationship between plant expenditure and its effect on customer service, leakage rate or water quality over a period of time. The use of standards or establishment of a benchmark would go a long way in addressing cost benefit of infrastructure expenditure. (Ex. D-29 at 4.)

DRA recommended that Golden State should focus on pipeline repair and replacement rather than new water supplies (Ex. D-29 at 10) which is consistent with its litigation position generally. Also, DRA believes the increased focus on conservation would reduce the need for new water supplies. (*Id.* at 10.) DRA also recommended that Golden State should use its own crews, especially the Water Loss Control Department, to proactively find leaks rather wait for consumer complaints. (*Id.* at 15.) Overall, DRA makes two recommendations:

1. DRA recommends that the Commission develop a guideline or a standard for reviewing a water utility's infrastructure improvements over time. Moreover, such a review should be conducted outside of the [general rate case], in the form of an audit so that the findings can be used in subsequent [general rate case] review and analysis.
2. DRA recommends that [Golden State] should direct its capital investments to main replacements, for the next several [general rate cases], rather than water supply projects in order to remedy the water loss issues in Ojai ..., and to minimize the rate hike. (Ex. D-29 at 18 - 19.)

¹³ We admit these exhibits into the record as of the dates served.

Golden State responded that any review ought to be within a general rate case where the Commission reviews the company's water management plans, capital budgets and expense requests, and further:

The problem with DRA's suggestion is that it would be extremely difficult to establish a one-size-fits-all guideline or standard for reviewing a water utility's infrastructure improvements. Each system has its own unique characteristics ... (Ex. G-61 at 2.)

Golden State also argues that there must be a balance between pipeline replacement and water supply projects; they are not mutually exclusive objectives. (*Id.* at 4.)

We decline to specifically order a separate process or audit separate from the general rate cases – we have more than enough proceedings and issues to address without adding a new process outside of the general rate case. We do believe, however, that the added level of information and analysis embodied in both Golden State's direct showing (Ex. G-60) and DRA's analysis (Ex. D-29) should be incorporated into an expanded showing for all districts in the next general rate case. Such an expanded showing will provide a better basis for determining the appropriate rate allowances for capital expenditures and maintenance. Thus, Golden State would show data and specific analysis and recommendations for a longer timeframe, 10 years, based on the trends or results in the following areas as included in DRA's exhibit:

- i) Historical Rate Increases
- ii) Water Losses (unaccounted for water)
- iii) Water Quality
- iv) Customer Complaints
- v) Capital Improvements
- vi) Maintenance and Operations Expenses

This requirement is in addition to, but may be incorporated within, all other required or necessary exhibits or the Minimum Data Request already mandated by the rate case plan.

12. Procedural History

On January 13, 2010, Golden State filed its general rate case for Region I. By Resolution ALJ 176-3247 dated January 21, 2010 the Commission determined that it was a ratesetting proceeding and evidentiary hearings were necessary (Rule 7.1). Golden State amended the application on January 27, 2010. There was a pre-hearing conference on March 3, 2010 (Rule 7.2), and an Assigned Commissioner's Scoping Memorandum and Ruling (Rule 7.3) was issued on March 11, 2010 which adopted a preliminary schedule and defined the scope of the proceeding. DRA filed a timely protest on February 26, 2010. Public participation hearings were held to consider the impact of the application on ratepayers.¹⁴

DRA served timely testimony and Golden State served timely rebuttal preceding evidentiary hearings on June 21 and 22, 2010. A Joint Motion by Golden State and DRA was filed on August 9, 2010 for the adoption of a settlement agreement resolving the majority of the issues in the proceeding.

Timely concurrent opening and reply briefs were filed on August 13, 2010 and September 8, 2010, respectively. These briefs addressed the issues not

¹⁴ June 11, 2010 at 2:00 p.m., Rancho Cordova City Hall Council Chambers, 2729 Prospect Park Drive, Rancho Cordova; June 14, 2010 at 2:00 p.m. and 7:00 p.m., Ambrose Community Center - Auditorium, 3105 Willow Pass Road, Bay Point; June 16, 2010 at 2:00 p.m. and 7:00 p.m., Radisson Hotel Santa Maria - Enterprise Ballroom, 3455 Skyway Drive, Santa Maria; and June 17, 2010 at 2:00 p.m. and 7:00 p.m., Chaparral School - Auditorium, 414 East Ojai Avenue, Ojai.

otherwise included in the settlement, but exclude the abandonment of Bay Point's Hill Street water treatment facility and the replacement water agreement with the Contra Costa Water District, and the resolution of quality of service issues identified for further examination following the public participation hearings conducted in several locations in Golden State's Region I, most especially the Ojai hearing. The Bay Point issues will be addressed in one or more separate decisions.

On August 4, 2010 Golden State filed a motion for interim rate relief pursuant to the water rate case plan. By a ruling dated August 23, 2010, pursuant to § 455.2 of the Pub. Util. Code, Golden State was authorized to implement interim rate relief based on the existing rate levels, subject to refund, consistent with the final rates adopted by the Commission in the pending general rate case. The ruling provided that, effective January 1, 2011, Golden State may establish the Region I 2011 Rate Case Memorandum Account for Arden Cordova, Bay Point, Clearlake, Los Osos, Ojai, Santa Maria, and Simi Valley.

13. Comments on Proposed Decision

The proposed decision of the ALJ in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were timely filed by Golden State and DRA on December 6, 2010 and both timely filed reply comments on December 13, 2010. Changes and corrections were made where appropriate but any comments which reargued litigation positions, rather than indicated factual or legal error, were accorded no weight.

14. Assignment of Proceeding

John A. Bohn is the assigned Commissioner and Douglas M. Long is the assigned ALJ in this proceeding.

Findings of Fact

Record

1. There is a full and complete record composed of testimony, work papers, examination of witnesses, as well as full and complete opening and reply briefs.

Settlements – Generally

2. The parties to the settlement adopted in this decision had a sound and thorough understanding of the application, and all of the underlying assumptions and data included in the record and could make informed decisions in the settlement process.

3. The adopted settlement is between competent and well-prepared parties who were able to make informed choices in the settlement process.

Test Year Settlement

4. The intervening party, DRA, which settled with Golden State, represents a broad range of customers.

5. The test year revenue requirement settlement for Golden State is a balance of the positions advocated by the applicant and DRA.

6. An Advice Letter process to implement the revenue requirement increases for specific actual plant additions included in the settlement allows Golden State timely recovery if it actually builds the project, and it protects the ratepayers from paying on projects which do not materialize on time or ever.

Unresolved Issues

7. The test year settlement's revenue requirement is unaffected by resolving open disputes between the applicant and DRA.
8. The unresolved issues include issues litigated by Golden State and DRA outside the test year revenue requirement settlement.
9. An Advice Letter process to implement the revenue requirement increases for actual plant additions adopted in this decision from among the disputed issues allows Golden State timely recovery if it actually builds the project, and it protects the ratepayers from paying on projects which do not materialize on time or ever.
10. An allowance for funds used during construction on the accrued expenditures will offset the cost of financing project construction.
11. Golden State demonstrated that it needs to build Ojai Mutual Well #6 to replace the aged and damaged Well #5.
12. Golden State failed to demonstrate that it needs to build the Country Club Replacement Well for the Edna Road System.
13. Golden State demonstrated that it needs to build the Foxencanyon Well to serve Sisquoc which has no adequate backup to a single old well with an old pump.
14. Golden State demonstrated that it needs to build the Vineyard Well #6 to supplement or replace Wells 3 and 5 both of which are damaged.
15. Golden State has demonstrated that it needs to build the Tanglewood Well #3 to replace the out-of-service and contaminated Tanglewood Wells #1 and #2.
16. Golden State operates systems which have a significant quantity of very old pipeline inventory which suffer leaks and breakages.

17. Golden State's proposed pipeline replacement and relocation program is an enormous increase in expenditure compared to the recent 5-year average.

18. It is foreseeable that Golden State may not complete the ambitious pipeline replacement program as proposed during the test period.

19. Golden State has demonstrated its need to replace an existing small backhoe, old dump truck and trailer with a new and bigger backhoe, bigger dump truck, and new trailer.

20. Ratepayers will be protected from paying for uncompleted projects by requiring Golden State to file an advice letter to add completed projects to rate base before it can recover the costs of disputed projects from its customers.

Rate Design

21. Golden State and DRA agreed that in the next general rate case the company will propose rates which address the allocation between service charge and commodity rate to comply with or more closely comply with the California Urban Water Conservation Council's Best Management Practice Number 1.4, which sets a target of recovering 30% of total revenue through the service charge and 70% of total revenue through the quantity charge.

22. Golden State and DRA agreed that in the next general rate case the company will propose rates which provide more uniform tier width and price differentials between tiers in the proposed rate design for Golden State's service areas.

Water Quality

23. Region I is in compliance with all state drinking water standards and has no outstanding enforcement actions against the water system from the California Department of Health Services.

Ojai Infrastructure Study

24. Golden State and DRA provided a more detailed analysis of the 10-year comprehensive history of the construction, maintenance and repair, and operation of infrastructure for the Ojai Service Area than was originally included in the application.

25. An expanded infrastructure showing for all districts will provide a better basis for determining the appropriate rate allowances for capital expenditures and maintenance.

Conclusions of Law

Burden of Proof

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

Settlements

2. The Test Year revenue requirements settlement is reasonable because it fairly balances intervenor interests and provides sufficient revenue to safely provide reliable service.

3. The Commission has the discretion and authority to resolve open disputes which were not addressed in the settlement and were part of the litigated positions of parties.

4. The adopted settlement provides sufficient information for the Commission to discharge its future regulatory obligations.

5. An Advice Letter process to implement the revenue requirement increases for two specific plant additions included in the settlement is a reasonable outcome because it allows Golden State timely recovery if it actually builds the project, and it protects the ratepayers from paying on projects which do not materialize on time or ever.

Unresolved Issues

6. The Commission has the discretion and authority to craft a regulatory solution which differs from the applicant's proposal and the intervenor's recommendations in order to adopt just and reasonable rates which allow the applicant a reasonable opportunity to recover its costs to provide safe and reliable service.

7. An Advice Letter process to implement the revenue requirement increases for actual plant additions adopted in this decision from among the disputed issues is a reasonable outcome because it allows Golden State timely recovery if it actually builds the project, and it protects the ratepayers from paying on projects which do not materialize on time or ever.

8. An allowance for funds used during construction on the accrued expenditures reasonably offsets the cost of financing project construction.

Rate Design

9. It is reasonable to address the rate design agreement between Golden State and DRA for all service areas regarding (1) the allocation between service charge and commodity rate and (2) the tier width and the price differential between tiers in the proposed rate design during Golden State's next general rate case.

Water Quality

10. We have addressed the water quality issues required by *Hartwell Corp. v. Superior Court*, 27 Cal.4th 256 (2002).

11. This proceeding should remain open for other unresolved issues.

O R D E R

IT IS ORDERED that:

1. The August 9, 2010 Joint Motion of Golden State Water Company and the Division of Ratepayer Advocates to Approve a Settlement in Application 10-01-009 is granted and the settlement is approved. (The settlement is available at <http://docs.cpuc.ca.gov/efile/MOTION/121977.pdf>.) Golden State Water Company must make any necessary filing to implement the specific terms of the settlement as one or more Tier 2 advice letters.

2. The disputed issues regarding construction of five wells in Application 10-01-009, which are not included in the proposed settlement between Golden State Water Company and the Division of Ratepayer Advocates, are resolved as follows:

- a) Construction and recovery of the Ojai Mutual Well #6 is approved and Golden State Water Company must file a Tier 2 Advice Letter to put the actual costs of Well #6 in rate base and recover the revenue requirement, subject to a construction cost cap of \$2,207,000 but only if and when the well has been constructed and has become operational and is therefore used and useful.
- b) Construction and recovery of the Country Club Replacement Well (Edna Road System) is denied.
- c) Construction and recovery of the Foxencanyon Well - Sisquoc System is approved and Golden State Water Company must file a Tier 2 Advice Letter to put the actual costs of the Foxencanyon Well in rate base and recover the revenue requirement, subject to a construction cost cap of \$2,743,100 but only if and when the well has been constructed and has become operational and is therefore used and useful.
- d) Construction and recovery of the Vineyard Well #6 Lake Marie System is approved and Golden State Water Company

must file a Tier 2 Advice Letter to put the actual costs of Vineyard Well #6 in rate base and recover the revenue requirement, subject to a construction cost cap of \$2,080,800 but only if and when the well has been constructed and has become operational and is therefore used and useful.

- e) Construction and recovery of the Tanglewood Well #3 is approved and Golden State Water Company must file a Tier 2 Advice Letter to put the actual costs of Tanglewood Well #3 in rate base and recover the revenue requirement, subject to a construction cost cap of \$2,817,800 but only if and when the well has been constructed and has become operational and is therefore used and useful.

3. The disputed construction of 31 pipeline projects in Application 10-01-009, which are not included in the proposed settlement between Golden State Water Company and the Division of Ratepayer Advocates, is adopted for inclusion in rate base and to recover the revenue requirement. For Golden State Water Company to timely recovery the revenue requirement of a project it must file a Tier 1 Advice Letter only if it actually builds the project, capped at the forecast cost. Golden State Water Company must file no more than one advice letter per month for the pipeline projects completed and placed in service in the prior month.

4. The disputed purchases of a dump truck, trailer, and backhoe in Application 10-01-009, which are not included in the proposed settlement between Golden State Water Company and the Division of Ratepayer Advocates, are adopted for inclusion in rate base and to recover the revenue requirement. For Golden State Water Company to timely recover the revenue requirement of this equipment it must file a Tier 2 advice letter only if it actually purchases each item, and it is operational and used and useful capped at the forecast cost of \$120,000 for the dump truck, \$50,000 for the trailer, and \$85,000 for the backhoe.

5. Golden State Water Company must file a rate design proposal in its next general rate case for all service areas that complies with the settlement between Golden State Water Company and the Division of Ratepayer Advocates so that it designs rates which address the allocation between service charge and commodity rate to comply with or more closely comply with the California Urban Water Conservation Council's Best Management Practice Number 1.4, which sets a target of recovering 30% of total revenue through the service charge and 70% of total revenue through the quantity charge.

6. Golden State Water Company must file a rate design proposal in its next general rate case for all service areas that complies with the settlement between Golden State Water Company and the Division of Ratepayer Advocates so that it designs rates which provide more uniform tier width and price differentials between tiers in the proposed rate design for Golden State Water Company's service areas.

7. Within 30 days of today's date, Golden State Water Company shall file a Tier 1 Advice Letter with tariff changes and new rates. The tariffs shall become effective on January 1, 2011, subject to the Division of Water and Audits' determination that they are in compliance with this decision.

8. Golden State Water Company must include in its next general rate case a detailed showing of 10 years' worth of results on historical rate increases, water losses (unaccounted for water), water quality, customer complaints, capital improvements, and maintenance and operations expenses consistent with the data and analysis presented on the Ojai service area in Exhibits G-60 and G-61 and D-29. This requirement is in addition to, but may be incorporated within, all other required or necessary exhibits or the Minimum Data request already mandated by the rate case plan.

9. Golden State Water Company must accrue an allowance for funds used during construction on all disputed projects in Ordering Paragraphs 2, 3, and 4.

10. Application 10-01-009 shall remain open for other unresolved issues.

This order is effective today.

Dated December 16, 2010, at San Francisco, California.

DIAN M. GRUENEICH
JOHN A. BOHN
TIMOTHY ALAN SIMON
NANCY E. RYAN
Commissioners

I dissent.

/s/ MICHAEL R. PEEVEY
President

APPENDIX I
Excerpt: Ex. D-28 Section IV (at 7 – 9)
Rate design issues to be considered in the 2011 company-wide GRC

Allocation between service charge and commodity rate

In areas where BMP 1.4 is not currently met, [Golden State] will make an effort to meet it or move closer to meeting it. In doing so, Golden State will analyze the impact of such a change on customers in each sector, at various usage levels.

Golden State is also pursuing several options to address the higher service charges for residential customers with meters larger than 3/4" x 5/8", as mentioned in Section III. Golden State is working with customers to determine if they have larger meters than necessary and switching them to the appropriate size meters, and has already requested a lower service charge for customers who only have a larger meter to meet fire safety requirements. Golden State is also considering proposing a change to the "meter equivalent ratios methodology" in its next GRC and charging the same amount for the three smallest meter sizes (3/4" x 5/8", 3/4", and 1"). This would eliminate some of the concern and frustrations expressed by its customers and reduce the amount of time spent completing the surveys necessary to determine if the proper meter size is installed and then changing out the meters where warranted.

Tier width and price differential

In Golden State's 2011 company-wide GRC, Golden State will review the conservation rate design in all of its Region I [Customer Service Areas] CSAs, including the pilot programs in Bay Point, Los Osos, Santa Maria, and Simi Valley that were approved in D.09-05-005; Ojai's tiered rate design from 1990; and the current non-tiered rates in Arden Cordova and Clearlake. Golden State

is analyzing the potential impacts of the following changes to its rate design in Region I CSAs with existing tiered rates: changing the tier width; changing the price differential between tiers; and adding tiers. In particular, Golden State will consider revising Ojai's residential tiers using the same parameters that were established in D.09-05-005 for the other Region I CSAs.

In areas like Ojai and Arden Cordova where residential and non-residential customers within a CSA share the same tariff and rate design, Golden State will consider breaking the customer classes up and proposing a different rate design for each customer class. In all CSAs except for Ojai, all non-residential customers have the same single quantity rate design. Golden State will analyze consumption patterns of each non-residential customer class and will consider whether it is reasonable to separate these customers into sub-sectors such as commercial, industrial, and irrigation, with a different rate design for each sub-sector. Golden State is currently conducting analysis on non-residential usage trends in Regions II and III to determine whether tier breakpoints can be established for the sub-sectors of this customer class, and will do the same in Region I.

To determine whether to make such changes to the rate design in Region I CSAs, Golden State will take a number of issues into consideration in the 2011 GRC. These include existing or anticipated supply constraints that might justify narrower tiers, steeper price differentials or additional tiers; usage patterns within each customer class; and bill impact analysis to estimate the effect of alternative rate designs on customers.

The Settlement Agreement adopted in D.09-05-005 specifies monitoring and data collection for Bay Point, Los Osos, Santa Maria, and Simi Valley, to be used in evaluating and revising the pilot rate designs.¹⁵ This data will be reviewed to determine, for example, if and how usage changed once the tiered rates were implemented. It could also reveal any exceptionally high-use customers, whose consumption patterns could be further evaluated to determine whether it might be reasonable to add an additional upper tier to send a stronger conservation message.

Golden State is also evaluating consumption data to determine whether to maintain tiered rates where they already exist, and whether or not to implement them where they do not; how many tiers are appropriate in each CSA; and what the tier widths and price differentials should be for each CSA. Golden State has already begun some of this analysis in Regions II and III, where it is analyzing consumption patterns since the implementation of conservation rates to see if consumption has decreased, and in which tiers. Applying the existing parameters for establishing tier breakpoints to the most recent usage data,

¹⁵ The Settlement Agreement states that: 1. [Golden State] will collect monthly consumption data, namely bill and usage data by meter. The data collection will start when the conservation rates agreed to in this settlement are implemented. 2. [Golden State] will present customer usage data in a table (in Excel format) showing how much water customers used in each class (i.e., residential and non-residential) annually and monthly by ccf level for the 12 months prior to conservation rates being implemented and for each month since the rates were implemented. For Residential customers consumption data will be broken out by customers who consume in each tier (tier 1, tier 2, and tier 3). 3. For the residential customer class, [Golden State] will report separately the consumption data in the same method described in #2 above for low income customers who are participating in the CARW (California Alternative Rate for Water) program. 4. [Golden State] will provide this data in the July 2011 company-wide general rate case application.

Golden State is analyzing whether the breakpoints should change, and whether a fourth tier would be appropriate. Golden State will conduct the same analysis in Region I. Golden State will include all data and analysis leading to their rate design proposals for each CSA in their 2011 GRC, as well as a bill impact analysis to demonstrate the likely effects on customers of any changes proposed.

DRA will fully evaluate any proposals made by Golden State in its 2011 company-wide GRC and issue its report accordingly.

(END OF APPENDIX I)

APPENDIX II
31 Disputed Pipeline Replacement Projects
(Abstracted from Golden State's Opening Brief at 22 – 34)

No Leaks – 5 years

1. Arden Cordova 1.024.1
2. Arden Cordova 1.028.1
3. Arden Cordova 1.026.1
4. Arden Cordova 1.027.1
5. Arden Cordova 1.029.1
6. Arden Cordova 1.030.1
7. Arden Cordova 1.031.1
8. Arden Cordova 1.013.1
9. Arden Cordova 1.014.1
10. Arden Cordova 1.015.1
11. Arden Cordova 1.998.1
12. Clear Lake 1.016.1
13. Ojai 1.007.1
14. Ojai 1.026.1
15. Santa Maria 1.032.1
16. Santa Maria 1.033.1
17. Santa Maria 1.034.1
18. Santa Maria 1.003.1

Not Completely Identified in Replacement Program

19. Los Osos 1.032.1
20. Los Osos 1.033.1
21. Los Osos 1.034.1
22. Los Osos 1.035.1
23. Los Osos 1.036.1
24. Simi Valley 1.025.1
25. Simi Valley 1.026.1
26. Simi Valley 1.027.1
27. Simi Valley 1.028.1

Other Contested Projects

28. Bay Point 1.003.1
29. Arden Cordova 1.005.1
30. Arden Cordova 1.006.1
31. Clear Lake 1.061.1

(END OF APPENDIX II)

APPENDIX III

GOLDEN STATE WATER COMPANY
SUMMARY of EARNINGS- TEST YEAR 2011
ARDEN CORDOVA DISTRICT - A.10-01-009
Appendix A page 1 of 7
(Dollars in Thousands)

	<u>AT PRESENT RATES</u> <u>2011</u>	<u>AT ADOPTED RATES</u> <u>2011</u>
OPERATING REVENUES	9,574.0	11,379.6
OPERATION EXPENSES		
Purchased Water	-	-
Purchased Power	1,249.4	1,249.4
Pump Taxes	-	-
TOTAL SUPPLY EXPENSES	1,249.4	1,249.4
REVENUE LESS SUPPLY EXPENSES	8,324.5	10,130.2
Chemicals	129.3	129.3
Allocated Common Cust. Acct. (G.O.)	193.9	193.9
Allocated Common Cust. Acct. (Region)	-	-
Allocated Common Cust. Acct. (District)	-	-
Postage	-	-
Uncollectibles	19.3	23.0
Operation Labor	685.4	685.4
Other Operation Expenses	290.4	290.4
TOTAL OPERATION EXPENSES	2,567.7	2,571.4
Maintenance Labor	147.1	147.1
Other Maintenance Expenses	254.0	254.0
TOTAL MAINTENANCE EXPENSE	401.1	401.1
TOTAL O&M EXCLUDING A&G	2,968.8	2,972.5
Office Supplies & Expenses	114.7	114.7
Property Insurance	-	-
Injuries and Damages	58.2	58.2
Pension and Benefits	351.7	351.7
Business Meals	0.6	0.6
Regulatory Expenses	104.9	104.9
Outside Services	194.1	194.1
Miscellaneous	43.8	43.8
Allocated General Office Expenses	1,546.9	1,546.9
Allocated Region Office Expenses	504.1	504.1
Allocated District Office Expenses	412.2	412.2
Other Maintenance of General Plant	12.9	12.9
Rent	40.0	40.0
A&G Expenses Capitalized	-	-
A&G Labor	82.4	82.4
TOTAL ADMIN & GENERAL EXPENSES	3,466.4	3,466.4
DEPRECIATION AND AMORTIZATION	2,264.0	2,264.0
Property Taxes	446.7	446.7
Payroll Taxes	73.8	73.8
Local Taxes	55.8	66.4
TOTAL TAXES NOT ON INCOME	576.3	586.8
TOTAL EXPENSE EXCLUDING INCOME TAX	9,275.6	9,289.8
NET OPER REVENUE BEFORE INCOME TAX	298.4	2,089.8
State Income Tax	(8.1)	150.3
Federal Income Tax	(98.4)	528.6
TOTAL INCOME TAXES	(106.5)	678.9
TOTAL OPERATING EXPENSES	9,169.1	9,968.7
NET OPERATING REVENUE	404.8	1,410.9
RATE BASE	15,852.9	15,852.9
RATE OF RETURN	2.55%	8.90%

GOLDEN STATE WATER COMPANY
SUMMARY of EARNINGS- TEST YEAR 2011
BAY POINT DISTRICT - A.10-01-009
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(Dollars in Thousands)

	<u>AT PRESENT RATES</u>	<u>AT ADOPTED RATES</u>
	<u>2011</u>	<u>2011</u>
OPERATING REVENUES	5,062.2	6,072.4
OPERATION EXPENSES		
Purchased Water	2,011.3	2,011.3
Purchased Power	108.4	108.4
Pump Taxes	-	-
TOTAL SUPPLY EXPENSES	2,119.7	2,119.7
REVENUE LESS SUPPLY EXPENSES	2,942.5	3,952.7
Chemicals	2.6	2.6
Allocated Common Cust. Acct. (G.O.)	41.1	41.1
Allocated Common Cust. Acct. (Region)	-	-
Allocated Common Cust. Acct. (District)	-	-
Postage	-	-
Uncollectibles	26.1	31.3
Operation Labor	269.5	269.5
Other Operation Expenses	112.4	112.4
TOTAL OPERATION EXPENSES	2,571.4	2,576.7
Maintenance Labor	57.9	57.9
Other Maintenance Expenses	97.1	97.1
TOTAL MAINTENANCE EXPENSE	155.0	155.0
TOTAL O&M EXCLUDING A&G	2,726.5	2,731.7
Office Supplies & Expenses	50.5	50.5
Property Insurance	-	-
Injuries and Damages	29.4	29.4
Pension and Benefits	160.7	160.7
Business Meals	1.0	1.0
Regulatory Expenses	22.1	22.1
Outside Services	28.3	28.3
Miscellaneous	1.5	1.5
Allocated General Office Expenses	327.6	327.6
Allocated Region Office Expenses	107.0	107.0
Allocated District Office Expenses	87.3	87.3
Other Maintenance of General Plant	2.8	2.8
Rent	31.7	31.7
A&G Expenses Capitalized	-	-
A&G Labor	40.5	40.5
TOTAL ADMIN & GENERAL EXPENSES	890.5	890.5
DEPRECIATION AND AMORTIZATION	758.5	758.5
Property Taxes	118.4	118.4
Payroll Taxes	29.7	29.7
Local Taxes	61.9	74.3
TOTAL TAXES NOT ON INCOME	210.0	222.3
TOTAL EXPENSE EXCLUDING INCOME TAX	4,585.4	4,603.0
NET OPER REVENUE BEFORE INCOME TAX	476.8	1,469.5
State Income Tax	8.3	96.1
Federal Income Tax	14.3	361.8
TOTAL INCOME TAXES	22.7	457.8
TOTAL OPERATING EXPENSES	4,608.0	5,060.8
NET OPERATING REVENUE	454.2	1,011.6
RATE BASE	11,366.4	11,366.4
RATE OF RETURN	4.00%	8.90%

GOLDEN STATE WATER COMPANY
SUMMARY of EARNINGS- TEST YEAR 2011
CLEARLAKE DISTRICT - A.10-01-009
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(Dollars in Thousands)

	<u>AT PRESENT RATES</u>	<u>AT ADOPTED RATES</u>
	<u>2011</u>	<u>2011</u>
OPERATING REVENUES	1,796.2	2,143.2
OPERATION EXPENSES		
Purchased Water	23.2	23.2
Purchased Power	76.8	76.8
Pump Taxes	-	-
TOTAL SUPPLY EXPENSES	100.0	100.0
REVENUE LESS SUPPLY EXPENSES	1,696.3	2,043.2
Chemicals	26.3	26.3
Allocated Common Cust. Acct. (G.O.)	14.6	14.6
Allocated Common Cust. Acct. (Region)	-	-
Allocated Common Cust. Acct. (District)	-	-
Postage	-	-
Uncollectibles	10.1	12.1
Operation Labor	294.4	294.4
Other Operation Expenses	84.7	84.7
TOTAL OPERATION EXPENSES	530.1	532.1
Maintenance Labor	46.3	46.3
Other Maintenance Expenses	61.1	61.1
TOTAL MAINTENANCE EXPENSE	107.4	107.4
TOTAL O&M EXCLUDING A&G	637.5	639.4
Office Supplies & Expenses	62.5	62.5
Property Insurance	-	-
Injuries and Damages	22.3	22.3
Pension and Benefits	150.9	150.9
Business Meals	1.0	1.0
Regulatory Expenses	7.8	7.8
Outside Services	5.6	5.6
Miscellaneous	0.8	0.8
Allocated General Office Expenses	116.8	116.8
Allocated Region Office Expenses	38.4	38.4
Allocated District Office Expenses	31.1	31.1
Other Maintenance of General Plant	1.0	1.0
Rent	12.8	12.8
A&G Expenses Capitalized	-	-
A&G Labor	20.6	20.6
TOTAL ADMIN & GENERAL EXPENSES	471.7	471.7
DEPRECIATION AND AMORTIZATION	290.7	290.7
Property Taxes	37.3	37.3
Payroll Taxes	29.1	29.1
Local Taxes	0.1	0.1
TOTAL TAXES NOT ON INCOME	66.5	66.5
TOTAL EXPENSE EXCLUDING INCOME TAX	1,466.3	1,468.3
NET OPER REVENUE BEFORE INCOME TAX	329.9	674.9
State Income Tax	13.3	43.8
Federal Income Tax	47.9	168.6
TOTAL INCOME TAXES	61.2	212.5
TOTAL OPERATING EXPENSES	1,527.6	1,680.8
NET OPERATING REVENUE	268.7	462.4
RATE BASE	5,195.9	5,195.9
RATE OF RETURN	5.17%	8.90%

GOLDEN STATE WATER COMPANY
SUMMARY of EARNINGS- TEST YEAR 2011
LOS OSOS DISTRICT - A.10-01-009
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(Dollars in Thousands)

	<u>AT PRESENT RATES</u>	<u>AT ADOPTED RATES</u>
	<u>2011</u>	<u>2011</u>
OPERATING REVENUES	2,903.9	3,689.4
OPERATION EXPENSES		
Purchased Water	-	-
Purchased Power	190.6	190.6
Pump Taxes	-	-
TOTAL SUPPLY EXPENSES	190.6	190.6
REVENUE LESS SUPPLY EXPENSES	2,713.4	3,498.8
Chemicals	277.8	277.8
Allocated Common Cust. Acct. (G.O.)	26.8	26.8
Allocated Common Cust. Acct. (Region)	-	-
Allocated Common Cust. Acct. (District)	-	-
Postage	-	-
Uncollectibles	2.9	3.7
Operation Labor	299.8	299.8
Other Operation Expenses	175.5	175.5
TOTAL OPERATION EXPENSES	973.3	974.1
Maintenance Labor	48.6	48.6
Other Maintenance Expenses	184.8	184.8
TOTAL MAINTENANCE EXPENSE	233.4	233.4
TOTAL O&M EXCLUDING A&G	1,206.7	1,207.5
Office Supplies & Expenses	58.6	58.6
Property Insurance	-	-
Injuries and Damages	24.8	24.8
Pension and Benefits	141.4	141.4
Business Meals	0.7	0.7
Regulatory Expenses	14.5	14.5
Outside Services	113.1	113.1
Miscellaneous	0.5	0.5
Allocated General Office Expenses	213.7	213.7
Allocated Region Office Expenses	69.4	69.4
Allocated District Office Expenses	52.8	52.8
Other Maintenance of General Plant	4.8	4.8
Rent	2.4	2.4
A&G Expenses Capitalized	-	-
A&G Labor	42.1	42.1
TOTAL ADMIN & GENERAL EXPENSES	738.8	738.8
DEPRECIATION AND AMORTIZATION	516.6	516.6
Property Taxes	87.4	87.4
Payroll Taxes	31.5	31.5
Local Taxes	-	-
TOTAL TAXES NOT ON INCOME	118.9	118.9
TOTAL EXPENSE EXCLUDING INCOME TAX	2,581.0	2,581.8
NET OPER REVENUE BEFORE INCOME TAX	322.9	1,107.5
State Income Tax	2.0	71.4
Federal Income Tax	(18.3)	256.3
TOTAL INCOME TAXES	(16.3)	327.7
TOTAL OPERATING EXPENSES	2,564.7	2,909.5
NET OPERATING REVENUE	339.2	779.8
RATE BASE	8,762.4	8,762.4
RATE OF RETURN	3.87%	8.90%

GOLDEN STATE WATER COMPANY
SUMMARY of EARNINGS- TEST YEAR 2011
OJAI DISTRICT - A.10-01-009
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(Dollars in Thousands)

	<u>AT PRESENT RATES</u>	<u>AT ADOPTED RATES</u>
	<u>2011</u>	<u>2011</u>
OPERATING REVENUES	4,138.3	5,264.1
OPERATION EXPENSES		
Purchased Water	357.1	357.1
Purchased Power	305.8	305.8
Pump Taxes	33.3	33.3
TOTAL SUPPLY EXPENSES	696.2	696.2
REVENUE LESS SUPPLY EXPENSES	3,442.1	4,567.9
Chemicals	40.1	40.1
Allocated Common Cust. Acct. (G.O.)	33.6	33.6
Allocated Common Cust. Acct. (Region)	-	-
Allocated Common Cust. Acct. (District)	-	-
Postage	-	-
Uncollectibles	6.5	8.3
Operation Labor	273.5	273.5
Other Operation Expenses	104.6	104.6
TOTAL OPERATION EXPENSES	1,154.5	1,156.3
Maintenance Labor	135.9	135.9
Other Maintenance Expenses	294.7	294.7
TOTAL MAINTENANCE EXPENSE	430.6	430.6
TOTAL O&M EXCLUDING A&G	1,585.1	1,586.9
Office Supplies & Expenses	60.6	60.6
Property Insurance	-	-
Injuries and Damages	32.1	32.1
Pension and Benefits	158.2	158.2
Business Meals	2.7	2.7
Regulatory Expenses	18.3	18.3
Outside Services	63.9	63.9
Miscellaneous	5.1	5.1
Allocated General Office Expenses	267.8	267.8
Allocated Region Office Expenses	87.4	87.4
Allocated District Office Expenses	66.2	66.2
Other Maintenance of General Plant	16.9	16.9
Rent	36.9	36.9
A&G Expenses Capitalized	-	-
A&G Labor	38.0	38.0
TOTAL ADMIN & GENERAL EXPENSES	854.0	854.0
DEPRECIATION AND AMORTIZATION	741.2	741.2
Property Taxes	105.1	105.1
Payroll Taxes	36.1	36.1
Local Taxes	43.7	55.6
TOTAL TAXES NOT ON INCOME	184.9	196.8
TOTAL EXPENSE EXCLUDING INCOME TAX	3,365.2	3,378.9
NET OPER REVENUE BEFORE INCOME TAX	773.1	1,885.3
State Income Tax	23.2	121.5
Federal Income Tax	75.9	465.2
TOTAL INCOME TAXES	99.1	586.7
TOTAL OPERATING EXPENSES	3,464.3	3,965.5
NET OPERATING REVENUE	674.0	1,298.6
RATE BASE	14,591.0	14,591.0
RATE OF RETURN	4.62%	8.90%

GOLDEN STATE WATER COMPANY
SUMMARY of EARNINGS- TEST YEAR 2011
SANTA MARIA DISTRICT - A.10-01-009
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(Dollars in Thousands)

	<u>AT PRESENT RATES</u>	<u>AT ADOPTED RATES</u>
	<u>2011</u>	<u>2011</u>
OPERATING REVENUES	9,329.7	10,295.3
OPERATION EXPENSES		
Purchased Water	55.3	55.3
Purchased Power	1,676.2	1,676.2
Pump Taxes	-	-
TOTAL SUPPLY EXPENSES	1,731.5	1,731.5
REVENUE LESS SUPPLY EXPENSES	7,598.1	8,563.8
Chemicals	53.7	53.7
Allocated Common Cust. Acct. (G.O.)	107.8	107.8
Allocated Common Cust. Acct. (Region)	-	-
Allocated Common Cust. Acct. (District)	-	-
Postage	-	-
Uncollectibles	10.3	11.3
Operation Labor	589.1	589.1
Other Operation Expenses	340.3	340.3
TOTAL OPERATION EXPENSES	2,832.6	2,833.7
Maintenance Labor	160.7	160.7
Other Maintenance Expenses	434.6	434.6
TOTAL MAINTENANCE EXPENSE	595.3	595.3
TOTAL O&M EXCLUDING A&G	3,427.9	3,429.0
Office Supplies & Expenses	112.6	112.6
Property Insurance	-	-
Injuries and Damages	52.4	52.4
Pension and Benefits	362.9	362.9
Business Meals	1.8	1.8
Regulatory Expenses	58.6	58.6
Outside Services	8.3	8.3
Miscellaneous	1.0	1.0
Allocated General Office Expenses	860.4	860.4
Allocated Region Office Expenses	281.0	281.0
Allocated District Office Expenses	212.6	212.6
Other Maintenance of General Plant	11.3	11.3
Rent	94.5	94.5
A&G Expenses Capitalized	-	-
A&G Labor	87.6	87.6
TOTAL ADMIN & GENERAL EXPENSES	2,145.0	2,145.0
DEPRECIATION AND AMORTIZATION	1,476.7	1,476.7
Property Taxes	167.6	167.6
Payroll Taxes	67.6	67.6
Local Taxes	-	-
TOTAL TAXES NOT ON INCOME	235.1	235.1
TOTAL EXPENSE EXCLUDING INCOME TAX	7,284.8	7,285.9
NET OPER REVENUE BEFORE INCOME TAX	2,044.8	3,009.4
State Income Tax	114.5	199.8
Federal Income Tax	413.4	751.0
TOTAL INCOME TAXES	527.9	950.7
TOTAL OPERATING EXPENSES	7,812.7	8,236.6
NET OPERATING REVENUE	1,517.0	2,058.7
RATE BASE	23,131.3	23,131.3
RATE OF RETURN	6.56%	8.90%

GOLDEN STATE WATER COMPANY
SUMMARY of EARNINGS- TEST YEAR 2011
SIMI VALLEY DISTRICT - A.10-01-009
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(Dollars in Thousands)

	<u>AT PRESENT RATES</u>	<u>AT ADOPTED RATES</u>
	<u>2011</u>	<u>2011</u>
OPERATING REVENUES	11,317.5	12,220.8
OPERATION EXPENSES		
Purchased Water	7,054.6	7,054.6
Purchased Power	226.8	226.8
Pump Taxes	-	-
TOTAL SUPPLY EXPENSES	7,281.4	7,281.4
REVENUE LESS SUPPLY EXPENSES	4,036.1	4,939.4
Chemicals	2.9	2.9
Allocated Common Cust. Acct. (G.O.)	116.1	116.1
Allocated Common Cust. Acct. (Region)	-	-
Allocated Common Cust. Acct. (District)	-	-
Postage	-	-
Uncollectibles	26.1	28.1
Operation Labor	324.9	324.9
Other Operation Expenses	146.3	146.3
TOTAL OPERATION EXPENSES	7,897.7	7,899.7
Maintenance Labor	61.5	61.5
Other Maintenance Expenses	56.1	56.1
TOTAL MAINTENANCE EXPENSE	117.7	117.7
TOTAL O&M EXCLUDING A&G	8,015.3	8,017.4
Office Supplies & Expenses	84.9	84.9
Property Insurance	-	-
Injuries and Damages	29.1	29.1
Pension and Benefits	174.2	174.2
Business Meals	1.5	1.5
Regulatory Expenses	62.8	62.8
Outside Services	5.4	5.4
Miscellaneous	7.1	7.1
Allocated General Office Expenses	925.9	925.9
Allocated Region Office Expenses	302.3	302.3
Allocated District Office Expenses	228.8	228.8
Other Maintenance of General Plant	7.3	7.3
Rent	46.4	46.4
A&G Expenses Capitalized	-	-
A&G Labor	68.8	68.8
TOTAL ADMIN & GENERAL EXPENSES	1,944.5	1,944.5
DEPRECIATION AND AMORTIZATION	741.8	741.8
Property Taxes	121.3	121.3
Payroll Taxes	36.7	36.7
Local Taxes	148.7	160.6
TOTAL TAXES NOT ON INCOME	306.7	318.6
TOTAL EXPENSE EXCLUDING INCOME TAX	11,008.4	11,022.3
NET OPER REVENUE BEFORE INCOME TAX	309.1	1,198.4
State Income Tax	9.1	87.8
Federal Income Tax	0.8	312.1
TOTAL INCOME TAXES	10.0	399.9
TOTAL OPERATING EXPENSES	11,018.4	11,422.2
NET OPERATING REVENUE	299.1	798.6
RATE BASE	8,972.5	8,972.5
RATE OF RETURN	3.33%	8.90%

APPENDIX B

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GOLDEN STATE WATER COMPANY
REGION 1 - ARDEN CORDOVA A.10-01-009

RATE BASE

(Dollars in thousands)

	<u>2011</u>	<u>2012</u>
RATE BASE		
Utility Plant	106,923.8	107,808.0
Acquisition Adjustment	0.0	0.0
Total Utility Plant	106,923.8	107,808.0
Depreciation Reserve	(32,961.5)	(36,308.6)
Net Utility Plant	73,962.2	71,499.4
Material & Supplies	80.0	80.0
Advances for Construction	(24,774.6)	(23,846.6)
Contribution	(29,396.2)	(28,360.3)
Rate Base before Adjustment	19,871.5	19,372.5
ACRS & MACRS Depreciation	(5,731.2)	(5,778.6)
Investment Tax Credit	(236.3)	(231.3)
Unicap 86	970.2	978.3
Connections	557.8	568.8
Advances (Gross-Up)	435.3	413.1
Contributions (Gross-Up)	0.0	0.0
Deferred Revenues	(379.1)	(379.1)
Invest. in Other Water Companies	0.0	0.0
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	(622.1)	(622.1)
Common Utility Allocation	986.7	959.1
Weighted Average Rate Base	15,852.9	15,280.5

APPENDIX B

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GOLDEN STATE WATER COMPANY
REGION 1 - BAY POINT A.10-01-009**RATE BASE**

(Dollars in thousands)

	<u>2011</u>	<u>2012</u>
RATE BASE		
Utility Plant	27,886.2	28,425.9
Acquisition Adjustment	747.0	747.0
Total Utility Plant	28,633.2	29,172.9
Depreciation Reserve	(10,955.9)	(11,775.7)
Net Utility Plant	17,677.3	17,397.2
Material & Supplies	1.2	1.2
Advances for Construction	(2,949.7)	(2,876.3)
Contribution	(1,976.7)	(1,911.3)
Rate Base before Adjustment	12,752.1	12,610.7
ACRS & MACRS Depreciation	(2,150.3)	(2,191.9)
Investment Tax Credit	(63.8)	(62.8)
Unicap 86	246.2	251.0
Connections	55.9	58.0
Advances (Gross-Up)	188.0	178.0
Contributions (Gross-Up)	0.0	0.0
Deferred Revenues	(49.4)	(49.4)
Invest. in Other Water Companies	0.0	0.0
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	145.4	145.4
Common Utility Allocation	242.3	203.3
Weighted Average Rate Base	11,366.4	11,142.2

APPENDIX B

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GOLDEN STATE WATER COMPANY
REGION 1 - CLEARLAKE A.10-01-009**RATE BASE**

(Dollars in thousands)

	<u>2011</u>	<u>2012</u>
RATE BASE		
Utility Plant	10,062.1	10,493.2
Acquisition Adjustment	0.0	0.0
Total Utility Plant	10,062.1	10,493.2
Depreciation Reserve	(3,850.8)	(4,178.8)
Net Utility Plant	6,211.3	6,314.4
Material & Supplies	24.4	24.4
Advances for Construction	(49.0)	(47.5)
Contribution	(114.0)	(109.3)
Rate Base before Adjustment	6,072.8	6,182.0
ACRS & MACRS Depreciation	(1,033.6)	(1,077.8)
Investment Tax Credit	(42.1)	(41.7)
Unicap 86	75.9	79.2
Connections	14.9	14.9
Advances (Gross-Up)	6.1	5.8
Contributions (Gross-Up)	0.0	0.0
Deferred Revenues	(0.3)	(0.3)
Invest. in Other Water Companies	0.0	0.0
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	15.6	15.6
Common Utility Allocation	86.6	72.6
Weighted Average Rate Base	5,195.9	5,250.2

APPENDIX B

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GOLDEN STATE WATER COMPANY
REGION 1 - LOS OSOS A.10-01-009**RATE BASE**

(Dollars in thousands)

	<u>2011</u>	<u>2012</u>
RATE BASE		
Utility Plant	16,527.7	17,061.0
Acquisition Adjustment	0.0	0.0
Total Utility Plant	16,527.7	17,061.0
Depreciation Reserve	(5,579.0)	(6,111.9)
Net Utility Plant	10,948.7	10,949.0
Material & Supplies	12.0	12.0
Advances for Construction	(722.7)	(683.2)
Contribution	(875.3)	(843.8)
Rate Base before Adjustment	9,362.8	9,434.1
ACRS & MACRS Depreciation	(1,064.9)	(1,099.2)
Investment Tax Credit	(6.7)	(6.0)
Unicap 86	144.4	149.0
Connections	46.9	56.6
Advances (Gross-Up)	71.6	67.1
Contributions (Gross-Up)	0.0	0.0
Deferred Revenues	0.0	0.0
Invest. in Other Water Companies	0.0	0.0
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	13.2	13.2
Common Utility Allocation	195.0	166.4
Weighted Average Rate Base	8,762.4	8,781.3

APPENDIX B

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GOLDEN STATE WATER COMPANY
REGION 1 - OJAI A.10-01-009**RATE BASE**

(Dollars in thousands)

	<u>2011</u>	<u>2012</u>
RATE BASE		
Utility Plant	21,548.8	22,617.4
Acquisition Adjustment	0.0	0.0
Total Utility Plant	21,548.8	22,617.4
Depreciation Reserve	(5,089.2)	(5,805.5)
Net Utility Plant	16,459.6	16,811.9
Material & Supplies	9.4	9.4
Advances for Construction	(541.4)	(517.7)
Contribution	(396.0)	(378.5)
Rate Base before Adjustment	15,531.7	15,925.2
ACRS & MACRS Depreciation	(1,332.4)	(1,398.4)
Investment Tax Credit	(28.6)	(27.7)
Unicap 86	201.4	211.4
Connections	37.5	38.6
Advances (Gross-Up)	7.9	7.4
Contributions (Gross-Up)	0.0	0.0
Deferred Revenues	(9.2)	(9.2)
Invest. in Other Water Companies	0.0	0.0
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	(62.0)	(62.0)
Common Utility Allocation	244.7	208.5
Weighted Average Rate Base	14,591.0	14,893.7

APPENDIX B

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GOLDEN STATE WATER COMPANY
REGION 1 - SANTA MARIA A.10-01-009**RATE BASE**

(Dollars in thousands)

	<u>2011</u>	<u>2012</u>
RATE BASE		
Utility Plant	50,540.4	51,393.6
Acquisition Adjustment	0.0	0.0
Total Utility Plant	50,540.4	51,393.6
Depreciation Reserve	(17,056.4)	(18,697.5)
Net Utility Plant	33,484.0	32,696.1
Material & Supplies	58.4	58.4
Advances for Construction	(6,555.4)	(6,280.6)
Contribution	(1,957.7)	(1,887.6)
Rate Base before Adjustment	25,029.3	24,586.3
ACRS & MACRS Depreciation	(3,393.1)	(3,450.4)
Investment Tax Credit	(202.7)	(199.9)
Unicap 86	575.5	585.2
Connections	126.9	134.3
Advances (Gross-Up)	268.7	253.8
Contributions (Gross-Up)	0.0	0.0
Deferred Revenues	(25.0)	(25.0)
Invest. in Other Water Companies	0.0	0.0
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	(34.6)	(34.6)
Common Utility Allocation	786.3	670.0
Weighted Average Rate Base	23,131.3	22,519.6

APPENDIX B

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GOLDEN STATE WATER COMPANY
REGION 1 - SIMI VALLEY A.10-01-009**RATE BASE**

(Dollars in thousands)

	<u>2011</u>	<u>2012</u>
RATE BASE		
Utility Plant	26,526.8	27,014.2
Acquisition Adjustment	0.0	0.0
Total Utility Plant	26,526.8	27,014.2
Depreciation Reserve	(11,128.3)	(11,947.0)
Net Utility Plant	15,398.5	15,067.2
Material & Supplies	44.6	44.6
Advances for Construction	(3,649.8)	(3,501.4)
Contribution	(1,496.8)	(1,453.4)
Rate Base before Adjustment	10,296.5	10,157.0
ACRS & MACRS Depreciation	(2,779.2)	(2,830.3)
Investment Tax Credit	(46.4)	(43.4)
Unicap 86	600.7	611.7
Connections	148.9	160.3
Advances (Gross-Up)	116.8	111.2
Contributions (Gross-Up)	0.0	0.0
Deferred Revenues	0.0	0.0
Invest. in Other Water Companies	0.0	0.0
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	(210.9)	(210.9)
Common Utility Allocation	846.0	720.9
Weighted Average Rate Base	8,972.5	8,676.6

GOLDEN STATE WATER COMPANY
COMPUTATION of TAXES ON INCOME AT PRESENT AND PROPOSED RATES
ARDEN CORDOVA DISTRICT - A.10-01-009
Appendix C page 1 of 7
(Dollars in Thousands)

	<u>AT PRESENT RATES</u>	<u>AT ADOPTED RATES</u>
	<u>2011</u>	<u>2011</u>
Operating Revenues	9,574.0	11,379.6
Deductions:		
Operating Expenses	9,275.6	9,289.8
Book Depreciation - CSA	(2,264.0)	(2,264.0)
Book Depreciation - General Office	(129.6)	(129.6)
Interest	586.6	586.6
Deductions Excluding Depreciation	7,468.5	7,482.7
State Tax Calculation:		
Taxable Income Before Tax Depreciation and Other Schedule M's	2,105.5	3,896.9
Add (Deduct):		
Tax Depreciation - State	(2,296.0)	(2,296.0)
Other Schedule M Items	98.7	98.7
State Taxable Income	(91.8)	1,699.7
Total State Tax @ 8.84%	(8.1)	150.3
Federal Tax Calculation:		
Taxable Income before Tax Depreciation and Other Schedule M's	2,105.5	3,896.9
Add (Deduct):		
Excess Tax Depreciation - Flow Through	(30.7)	(30.7)
Book Depreciation - CSA	(2,264.0)	(2,264.0)
Book Depreciation - G.O.	(129.6)	(129.6)
State Tax	(91.3)	(91.3)
Other Schedule M Items	124.5	124.5
Deferred Revenue Amortization - Contrib.	4.6	4.6
Federal Taxable Income	(281.0)	1,510.4
Federal Tax @ 35.00%	(98.4)	528.6
Total Federal & State Tax	(106.5)	678.9

GOLDEN STATE WATER COMPANY
COMPUTATION of TAXES ON INCOME AT PRESENT AND PROPOSED RATES
BAY POINT DISTRICT - A.10-01-009
Appendix C page 2 of 7
(Dollars in Thousands)

	<u>AT PRESENT RATES</u>	<u>AT ADOPTED RATES</u>
	<u>2011</u>	<u>2011</u>
Operating Revenues	5,062.2	6,072.4
Deductions:		
Operating Expenses	4,585.4	4,603.0
Book Depreciation - CSA	(758.5)	(758.5)
Book Depreciation - General Office	(27.5)	(27.5)
Interest	420.6	420.6
Deductions Excluding Depreciation	4,220.0	4,237.6
State Tax Calculation:		
Taxable Income Before Tax Depreciation and Other Schedule M's	842.2	1,834.9
Add (Deduct):		
Tax Depreciation - State	(769.2)	(769.2)
Other Schedule M Items	21.0	21.0
State Taxable Income	94.0	1,086.7
Total State Tax @ 8.84%	8.3	96.1
Federal Tax Calculation:		
Taxable Income before Tax Depreciation and Other Schedule M's	842.2	1,834.9
Add (Deduct):		
Excess Tax Depreciation - Flow Through	(8.6)	(8.6)
Book Depreciation - CSA	(758.5)	(758.5)
Book Depreciation - G.O.	(27.5)	(27.5)
State Tax	(48.0)	(48.0)
Other Schedule M Items	26.4	26.4
Deferred Revenue Amortization - Contrib.	14.8	14.8
Federal Taxable Income	41.0	1,033.7
Federal Tax @ 35.00%	14.3	361.8
Total Federal & State Tax	22.7	457.8

**GOLDEN STATE WATER COMPANY
COMPUTATION of TAXES ON INCOME AT PRESENT AND PROPOSED RATES
CLEARLAKE DISTRICT - A.10-01-009
Appendix C page 3 of 7
(Dollars in Thousands)**

	<u>AT PRESENT RATES</u>	<u>AT ADOPTED RATES</u>
	<u>2011</u>	<u>2011</u>
Operating Revenues	1,796.2	2,143.2
Deductions:		
Operating Expenses	1,466.3	1,468.3
Book Depreciation - CSA	(290.7)	(290.7)
Book Depreciation - General Office	(9.8)	(9.8)
Interest	192.2	192.2
Deductions Excluding Depreciation	1,358.1	1,360.1
State Tax Calculation:		
Taxable Income Before Tax Depreciation and Other Schedule M's	438.1	783.1
Add (Deduct):		
Tax Depreciation - State	(294.8)	(294.8)
Other Schedule M Items	7.5	7.5
State Taxable Income	150.9	495.9
Total State Tax @ 8.84%	13.3	43.8
Federal Tax Calculation:		
Taxable Income before Tax Depreciation and Other Schedule M's	438.1	783.1
Add (Deduct):		
Excess Tax Depreciation - Flow Through	(11.9)	(11.9)
Book Depreciation - CSA	(290.7)	(290.7)
Book Depreciation - G.O.	(9.8)	(9.8)
State Tax	(7.2)	(7.2)
Other Schedule M Items	9.5	9.5
Deferred Revenue Amortization - Contrib.	8.7	8.7
Federal Taxable Income	136.8	481.8
Federal Tax @ 35.00%	47.9	168.6
Total Federal & State Tax	61.2	212.5

GOLDEN STATE WATER COMPANY
COMPUTATION of TAXES ON INCOME AT PRESENT AND PROPOSED RATES
LOS OSOS DISTRICT - A.10-01-009
Appendix C page 4 of 7
(Dollars in Thousands)

	<u>AT PRESENT RATES</u>	<u>AT ADOPTED RATES</u>
	<u>2011</u>	<u>2011</u>
Operating Revenues	2,903.9	3,689.4
Deductions:		
Operating Expenses	2,581.0	2,581.8
Book Depreciation - CSA	(516.6)	(516.6)
Book Depreciation - General Office	(17.9)	(17.9)
Interest	324.2	324.2
Deductions Excluding Depreciation	2,370.8	2,371.5
State Tax Calculation:		
Taxable Income Before Tax Depreciation and Other Schedule M's	533.2	1,317.8
Add (Deduct):		
Tax Depreciation - State	(523.9)	(523.9)
Other Schedule M Items	13.6	13.6
State Taxable Income	22.9	807.5
Total State Tax @ 8.84%	2.0	71.4
Federal Tax Calculation:		
Taxable Income before Tax Depreciation and Other Schedule M's	533.2	1,317.8
Add (Deduct):		
Excess Tax Depreciation - Flow Through	(14.3)	(14.3)
Book Depreciation - CSA	(516.6)	(516.6)
Book Depreciation - G.O.	(17.9)	(17.9)
State Tax	(54.5)	(54.5)
Other Schedule M Items	17.2	17.2
Deferred Revenue Amortization - Contrib.	0.6	0.6
Federal Taxable Income	(52.4)	732.3
Federal Tax @ 35.00%	(18.3)	256.3
Total Federal & State Tax	(16.3)	327.7

GOLDEN STATE WATER COMPANY
COMPUTATION of TAXES ON INCOME AT PRESENT AND PROPOSED RATES
OJAI DISTRICT - A.10-01-009
Appendix C page 5 of 7
(Dollars in Thousands)

	<u>AT PRESENT RATES</u>	<u>AT ADOPTED RATES</u>
	<u>2011</u>	<u>2011</u>
Operating Revenues	4,138.3	5,264.1
Deductions:		
Operating Expenses	3,365.2	3,378.9
Book Depreciation - CSA	(741.2)	(741.2)
Book Depreciation - General Office	(22.4)	(22.4)
Interest	539.9	539.9
Deductions Excluding Depreciation	3,141.4	3,155.1
State Tax Calculation:		
Taxable Income Before Tax Depreciation and Other Schedule M's	996.9	2,109.0
Add (Deduct):		
Tax Depreciation - State	(751.6)	(751.6)
Other Schedule M Items	17.1	17.1
State Taxable Income	262.4	1,374.5
Total State Tax @ 8.84%	23.2	121.5
Federal Tax Calculation:		
Taxable Income before Tax Depreciation and Other Schedule M's	996.9	2,109.0
Add (Deduct):		
Excess Tax Depreciation - Flow Through	(6.8)	(6.8)
Book Depreciation - CSA	(741.2)	(741.2)
Book Depreciation - G.O.	(22.4)	(22.4)
State Tax	(32.4)	(32.4)
Other Schedule M Items	21.6	21.6
Deferred Revenue Amortization - Contrib.	1.1	1.1
Federal Taxable Income	216.9	1,329.0
Federal Tax @ 35.00%	75.9	465.2
Total Federal & State Tax	99.1	586.7

GOLDEN STATE WATER COMPANY
COMPUTATION of TAXES ON INCOME AT PRESENT AND PROPOSED RATES
SANTA MARIA DISTRICT - A.10-01-009
Appendix C page 6 of 7
(Dollars in Thousands)

	<u>AT PRESENT RATES</u>	<u>AT ADOPTED RATES</u>
	<u>2011</u>	<u>2011</u>
Operating Revenues	9,329.7	10,295.3
Deductions:		
Operating Expenses	7,284.8	7,285.9
Book Depreciation - CSA	(1,476.7)	(1,476.7)
Book Depreciation - General Office	(72.1)	(72.1)
Interest	855.9	855.9
Deductions Excluding Depreciation	6,591.8	6,592.9
State Tax Calculation:		
Taxable Income Before Tax Depreciation and Other Schedule M's	2,737.9	3,702.4
Add (Deduct):		
Tax Depreciation - State	(1,497.6)	(1,497.6)
Other Schedule M Items	55.1	55.1
State Taxable Income	1,295.4	2,259.9
Total State Tax @ 8.84%	114.5	199.8
Federal Tax Calculation:		
Taxable Income before Tax Depreciation and Other Schedule M's	2,737.9	3,702.4
Add (Deduct):		
Excess Tax Depreciation - Flow Through	(31.0)	(31.0)
Book Depreciation - CSA	(1,476.7)	(1,476.7)
Book Depreciation - G.O.	(72.1)	(72.1)
State Tax	(61.1)	(61.1)
Other Schedule M Items	69.4	69.4
Deferred Revenue Amortization - Contrib.	14.7	14.7
Federal Taxable Income	1,181.0	2,145.6
Federal Tax @ 35.00%	413.4	751.0
Total Federal & State Tax	527.9	950.7

GOLDEN STATE WATER COMPANY
COMPUTATION of TAXES ON INCOME AT PRESENT AND PROPOSED RATES
SIMI VALLEY DISTRICT - A.10-01-009
Appendix C page 7 of 7
(Dollars in Thousands)

	<u>AT PRESENT RATES</u>	<u>AT ADOPTED RATES</u>
	<u>2011</u>	<u>2011</u>
Operating Revenues	11,317.5	12,220.8
Deductions:		
Operating Expenses	11,008.4	11,022.3
Book Depreciation - CSA	(741.8)	(741.8)
Book Depreciation - General Office	(77.6)	(77.6)
Interest	332.0	332.0
Deductions Excluding Depreciation	10,520.9	10,534.8
State Tax Calculation:		
Taxable Income Before Tax Depreciation and Other Schedule M's	796.6	1,685.9
Add (Deduct):		
Tax Depreciation - State	(752.3)	(752.3)
Other Schedule M Items	59.2	59.2
State Taxable Income	103.5	992.8
Total State Tax @ 8.84%	9.1	87.8
Federal Tax Calculation:		
Taxable Income before Tax Depreciation and Other Schedule M's	796.6	1,685.9
Add (Deduct):		
Excess Tax Depreciation - Flow Through	(27.4)	(27.4)
Book Depreciation - CSA	(741.8)	(741.8)
Book Depreciation - G.O.	(77.6)	(77.6)
State Tax	(29.0)	(29.0)
Other Schedule M Items	74.7	74.7
Deferred Revenue Amortization - Contrib.	7.0	7.0
Federal Taxable Income	2.4	891.8
Federal Tax @ 35.00%	0.8	312.1
Total Federal & State Tax	10.0	399.9

Golden State Water Company
ARDEN-CORDOVA CSA A.10-01-009

Adopted Quantities

<u>PURCHASED POWER</u>	2011	2012
Wells Production (KCcf)	3,567.1	3,255.3
Purchased Water (CCF)	-	-
Surface Water (KCcf)	4,197.3	4,197.3
Total Supply (KCcf)	7,764.4	7,452.5
Supply Expenses		
<u>Energy Cost - Electric (S.M.U.D.)</u>		
Wells- Electric		
Wells- Electric kwh	8,654,122	8,306,571
Booster Pumps		
Boosters- Electric kwh	-	-
Total Energy Cost - Electric		
Electric kwh	8,654,122	8,306,571
Total Energy Cost	\$1,159,992	\$1,114,846
\$/kwh	\$0.1340	\$0.1342
Energy Cost - Gas (PG&E)		
Total Energy Cost - Gas		
Gas - Therms	26,015	24,971
Total Energy Cost - PG&E	\$28,250	\$27,210
\$/Therms	\$1.0859	\$1.0897
Total Energy Cost	\$1,188,242	\$1,142,056
Total Cost	\$0	\$0
Total Purchased Water Cost		
Total Purchased Supply Volume (in CCF)	-	-
Total Cost	\$0.00	\$0.00
\$/CCF		
Chemical Cost	\$129,294	\$132,449
Total Supply Expenses (Excl Chemicals)	\$1,188,242	\$1,142,056

Golden State Water Company
BAY POINT CSA A.10-01-009**Adopted Quantities**

	2011	2012
<u>PURCHASED POWER</u>		
Supply Volume		
Wells Production (KCcf)	99.8	99.8
Purchased Water (KCcf)	946.7	946.7
Surface Water (KCcf)	0.0	0.0
Total Supply (KCcf)	1,046.5	1,046.5
Supply Expenses		
<u>Energy Cost - Electric (PG&E)</u>		
Wells- Electric		
Wells- Electric kwh	558,461	558,461
Booster Pumps		
Boosters- Electric kwh	0	0
Total Energy Cost - Electric		
Electric kwh	558,461	558,461
Total Energy Cost	\$108,044	\$108,044
\$/kwh	\$0.1935	\$0.1935
Energy Cost - Gas		
Total Energy Cost - Gas		
Gas - Therms	-	-
Total Energy Cost		
\$/Therms		
Total Energy Cost	\$108,043.62	\$108,043.62
<u>Purchased Water Cost</u>		
Contra Costa Water District		
Port Chicago - AF	66.0	66.0
Purchased Supply Volume (in CCf)	28,750	28,750
Total Cost	\$315,385	\$315,385
Contra Costa Water District		
MPP Connection - AF	2107.4	2107.4
Purchased Supply Volume (in CCf)	917,982	917,982
Total Cost	\$1,695,924	\$1,695,924
Total Purchased Water Cost		
Total Purchased Supply Volume (in CCf)	946,731	946,731
Total Cost	\$2,011,309	\$2,011,309
\$/CCF	\$2.124	\$2.124
Chemical Cost	\$2,634	\$2,698
Total Supply Expenses (Excl Chemicals)	\$2,119,353	\$2,119,353

Golden State Water Company
CLEARLAKE CSA A.10-01-009**Adopted Quantities**

	<u>Rates</u>	<u>2011</u>	<u>2012</u>
<u>PURCHASED POWER</u>			
Supply Volume			
Wells Production (KCcf)		-	-
Purchased Water (KCcf)		192.0	193.3
Surface Water (KCcf)		58.3	58.3
Total Supply (CCF)		250.3	251.6
Supply Expenses			
<u>Energy Cost - Electric (PG&E)</u>			
Wells- Electric			
Wells- Electric kwh		458,478	460,857
Booster Pumps			
Boosters- Electric kwh		-	-
Total Energy Cost - Electric			
Electric kwh		458,478	460,857
Total Energy Cost		\$76,779	\$77,086
\$/kwh		\$0.1675	\$0.1673
Total Energy Cost		\$76,779	\$77,086
<u>Purchased Water Cost</u>			
Yolo County Flood Control			
\$/AF	\$52.50		
Purchased Supply Volume (AF)		440.7	443.6
Purchased Supply Volume (in CCf)		191,955	193,254
Total Cost		\$23,153	\$23,310
Total Purchased Water Cost			
Total Purchased Supply Volume (in CCf)		191,955	193,254
Total Cost		\$23,153	\$23,310
\$/CCF		\$0.121	\$0.121
Chemical Cost		\$26,270	\$26,911
Total Supply Expenses (Excl Chemicals)		<u>\$99,931</u>	<u>\$100,396</u>

Golden State Water Company
LOS OSOS CSA A.10-01-009

Adopted Quantities

<u>PURCHASED POWER</u>	<u>Rates</u>	<u>2011</u>	<u>2012</u>
Supply Volume			
Wells Production (KCcf)		562.9	562.8
Purchased Water (KCcf)		0.0	0.0
Surface Water (KCcf)		0.0	0.0
Total Supply (KCcf)		562.9	562.8
Supply Expenses			
<u>Energy Cost - Electric (PG&E)</u>			
Wells- Electric			
Wells- Electric kwh		1,155,846	1,155,706
Booster Pumps			
Boosters- Electric kwh		0.0	0.0
Total Energy Cost - Electric			
Electric kwh		1,155,846	1,155,706
Total Energy Cost		\$192,267	\$192,257
\$/kwh		\$0.1663	\$0.1664
Energy Cost - Gas			
Total Energy Cost - So. Cal. Gas			
Gas - Therms		127	127
Total Energy Cost		\$239	\$239
\$/Therms		\$1.8798	\$1.8799
Total Energy Cost		\$192,505.85	\$192,496.64
Chemical Cost		\$277,763	\$284,506
Total Supply Expenses (Excl Chemicals)		<u>\$192,506</u>	<u>\$192,497</u>

Golden State Water Company
OJAI CSA A.10-01-009

Adopted Quantities

<u>PURCHASED POWER</u>	<u>Rates</u>	<u>2011</u>	<u>2012</u>
Supply Volume			
Wells Production (KCcf)		817.2	832.6
Purchased Water (KCcf)		236.6	236.6
Surface Water (KCcf)		0.0	0.0
Total Supply (KCcf)		1,053.7	1,069.2
Supply Expenses			
<u>Energy Cost - Electric (So. CA Edison)</u>			
Wells- Electric			
Wells- Electric kwh		2,589,530	2,979,386
Booster Pumps			
Boosters- Electric kwh		-	-
Total Energy Cost - Electric			
Electric kwh		2,589,530	2,979,386
Total Energy Cost		\$293,513	\$316,357
\$/kwh		\$0.1133	\$0.1062
Total Energy Cost		\$293,513	\$316,357
 <u>Purchased Water Cost</u>			
Casitas MWD-Resale			
Purchased Resale Water (AF)	\$611.15	523.0	523.0
Purchased Supply Volume (in CCf)		227,827	227,827
Monthly Service Charge	\$2,506.63	\$30,080	\$30,080
Total Cost		\$349,709	\$349,709
Casitas MWD-Irrigation			
Purchased Irrigation Water (AF)	\$371.13	20.0	20.0
Purchased Supply Volume (in CCf)		8,753	8,753
Total Cost		\$7,423	\$7,423
Total Purchased Water Cost			
Total Purchased Supply Volume (in CCf)		236,580	236,580
Total Cost		\$357,132	\$357,132
\$/CCF		\$1.510	\$1.510
 <u>Pump Tax Cost</u>			
Total Pump Tax Cost (OBGMA)			
Total Water Subject to Pump Tax (AF)	\$17.75	1,876.0	2,240.1
Total Water Subject to Pump Tax (in CCf)		817,166	975,809
Total Cost	33,298	\$33,298	\$39,763
\$/CCF		\$0.041	\$0.041
Chemical Cost		\$40,093	\$41,071
Total Supply Expenses (Excl Chemicals)		<u>\$683,944</u>	<u>\$713,251</u>

Golden State Water Company
SANTA MARIA CSA A.10-01-009

Adopted Quantities

<u>PURCHASED POWER</u>	<u>Rates</u>	<u>2011</u>	<u>2012</u>
Supply Volume			
Wells Production (KCcf)		4,373.3	4,409.5
Purchased Water (KCcf)		113.5	113.5
Total Supply (KCcf)		4,486.8	4,523.0
Supply Expenses			
<u>Energy Cost - Electric (PG&E)</u>			
Wells- Electric			
Wells- Electric kwh		10,737,779	10,824,317
Booster Pumps			
Boosters- Electric kwh		24,585	24,784
Total Energy Cost - Electric			
Electric kwh		10,762,364	10,849,100
Total Energy Cost		\$1,691,500	\$1,703,734
Unit Cost (\$/kwh)		\$0.1572	\$0.1570
Energy Cost - (So. Cal. Gas)			
Total Energy Cost - Gas			
Gas - Therms		268	271
Total Energy Cost		\$604	\$606
Unit Cost (\$/Therms)		\$2.2507	\$2.2400
Total Energy Cost		\$1,692,104	\$1,704,340
<u>Purchased Water Cost</u>			
Nipomo Community Srv Dist			
Purchased Supply Volume (in CCf)		2	2
Total Cost		\$0	\$0
City of Santa Maria/CCWA			
Purchased Supply Volume (AF)	\$217.00	71.3	71.3
Purchased Supply Volume (in CCf)		31,055	31,055
Total Cost		\$15,470	\$15,470
Central Coast Water Authority	\$217.00		
Purchased Volume (AF)		183.5	183.5
Purchased Volume (in CCf)		79,914	79,914
Total Cost		\$39,810	\$39,810
Total Purchased Water Cost			
Total Purchased Supply Volume (in CCf)		110,972	110,972
Total Cost		\$55,280.90	\$55,280.90
\$/CCF		\$0.498	\$0.498
Chemical Cost		\$53,688	\$54,998
Total Supply Expenses (Excl Chemicals)		<u>\$1,747,385</u>	<u>\$1,759,621</u>

Golden State Water Company
SIMI VALLEY CSA A.10-01-009

	<u>Rates</u>	<u>2011</u>	<u>2012</u>
<u>PURCHASED POWER</u>			
Supply Volume			
Wells Production (KCcf)		380.9	380.9
Purchased Water (KCcf)		2,911.1	2,911.1
Total Supply (CCF)		3,292.0	3,292.0
Supply Expenses			
<u>Energy Cost - Electric (So. CA Edison)</u>			
Wells- Electric			
Wells- Electric kwh		1,689,934	1,689,934
Booster Pumps			
Boosters- Electric kwh		-	-
Total Energy Cost - Electric			
Electric kwh		1,689,934	1,689,934
Total Energy Cost - Pacific Gas and Electric Company		\$213,252	\$213,253
Unit Cost (\$/kwh)		\$0.1262	\$0.1262
Total Energy Cost		\$213,252.49	\$213,252.56
 <u>Purchased Water Cost</u>			
Calleguas MWD			
Purchased Supply Volume (in CCF)		2,911,111	2,911,111
Purchased Water Tier 1 (AF)	\$938.00	6683.0	6683.0
Purchased Water Tier 2 (AF)	\$1,048.00	-	-
Capacity Reservation Charge	\$20,378.00	\$244,536	\$244,536
Readiness To Serve Charge	\$21,173.00	\$254,076	\$254,076
Total Cost		\$6,767,259	\$6,767,259
\$/CCF		\$2.325	\$2.325
Total Purchased Water Cost			
Total Purchased Supply Volume (in CCF)		2,911,111	2,911,111
Total Cost		\$6,767,259	\$6,767,259
\$/CCF		\$2.325	\$2.325
Chemical Cost		\$2,862	\$2,932
Total Supply Expenses (Excl Chemicals)		<u>\$6,980,511</u>	<u>\$6,980,511</u>

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
ARDEN CORDOVA DISTRICT - A.10-01-009
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Schedule AC-1				
<u>Number of Metered Services</u>	Residential		Non-Residential	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
Meter Size				
5/8 x 3/4 -inch meter	3,043	3,920	15	13
3/4	2,346	3,022	88	90
1	1,442	1,857	295	302
1/1/2	5	6	63	63
2	57	74	947	981
3	2	2	134	138
4	0	0	29	29
6	0	0	9	9
8	0	0	3	3
10	0	0	1	1
	-----	-----		
TOTAL METERED SERVICES	6,895	8,881	1,584	1,629
Schedule AC-2				
<u>Number of Flat Rate Customers</u>	<u>2011</u>	<u>2012</u>		
Single	7,288	5,497		
Duplex	219	165		
Additional Unit	0	0		
Swimming Pool	655	494		
	-----	-----		
TOTAL FLAT RATE CUSTOMERS	7,507	5,662		
 Private Fire	 589	 605		
	-----	-----		
Total Customers	16,575	16,777		
	=====	=====		

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
ARDEN CORDOVA DISTRICT - A.10-01-009
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WATER CONSUMPTION

<u>Classification</u>	<u>Service Connection</u>			<u>Usage (CCF/CUST)</u>	<u>Consumption (KCcf)</u>		
	<u>2011</u>	<u>2012</u>	<u>2013</u>		<u>2011</u>	<u>2012</u>	<u>2013</u>
METERED SERVICES :							
Residential	6,895	8,881	9,022	208.0	1,434.2	1,847.2	1,876.6
Commercial	1,052	1,053	1,054	1,926.0	2,026.2	2,028.1	2,030.0
Industrial	4	4	4	526.2	2.1	2.1	2.1
Public Authority	26	26	26	7,110.6	184.9	184.9	184.9
Irrigation	497	540	583	1,417.8	704.6	765.6	826.6
Contract	0	0	0	341.3	0.0	0.0	0.0
Other	5	6	7	335.2	1.7	2.0	2.3

Total Metered	8,479	10,510	10,696		4,353.6	4,829.9	4,922.5
FLAT RATE CUSTOMERS:							
Commercial	7,507	5,662	5,662	422.60	3,172.5	2,392.8	2,392.8
PRIVATE FIRE PROTECTION							
	589	605	621	28.60	16.8	17.3	17.8

TOTAL CONNECTIONS	16,575	16,777	16,979		7,542.9	7,240.0	7,333.0
WATER LOSS							
	2.93%	2.93%	2.93%		221.4	212.5	212.5

TOTAL WATER PRODUCTION					7,764.4	7,452.5	7,545.5
WELLS (KCcf)							
					3,567.1	3,255.3	0.0
PURCHASED WATER (KCcf)							
					0.0	0.0	0.0
SURFACE WATER (KCcf)							
					4,197.3	4,197.3	0.0

**GOLDEN STATE WATER COMPANY
ARDEN CORDOVA DISTRICT - A.10-01-009**

**Schedule AC-1
Bill Comparison for 5/8-inch Meter**

2011 Rates

Monthly Usage (Cubic Feet)	At Present Rates	At Adopted Rates	Increase Amount	Percent Increase
500	\$10.04	\$12.99	\$2.96	29.45%
1,000	\$13.17	\$17.78	\$4.61	35.00%
1,500	\$16.31	\$22.57	\$6.27	38.42%
1,700 (Avg)	\$17.56	\$24.49	\$6.93	39.45%
5,000	\$38.25	\$56.10	\$17.85	46.67%
10,000	\$69.60	\$104.00	\$34.40	49.43%
50,000	\$320.40	\$487.20	\$166.80	52.06%
75,000	\$477.15	\$726.70	\$249.55	52.30%

**Schedule AC-2
Bill Comparison for Flat Rate Customers**

2011 Rates

Customer Type	At Present Rates	At Adopted Rates	Increase Amount	Percent Increase
Single	\$41.50	\$49.30	\$7.80	18.80%
Duplex	\$81.80	\$97.20	\$15.40	18.83%
Additional unit	\$41.40	\$49.20	\$7.80	18.84%
Swimming Pool	\$9.10	\$10.80	\$1.70	18.68%

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
BAY POINT DISTRICT - A.10-01-009
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Schedule BY-1				
<u>Number of Metered Services</u>	<u>Residential</u>		<u>Non-Residential</u>	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
Meter Size				
5/8 x 3/4 -inch meter	4,507	4,507	106	106
3/4	0	0	13	13
1	1	1	39	39
1/1/2	1	1	35	35
2	0	0	53	53
3	0	0	7	7
4	0	0	2	2
6	0	0	2	2
8	0	0	2	2
10	0	0	0	0
	-----	-----	-----	-----
TOTAL METERED SERVICES	4,509	4,509	259	259
Private Fire	31	31		
	-----	-----		
Total Customers	4,799	4,799		
	=====	=====		

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
BAY POINT DISTRICT - A.10-01-009
Appendix D page 5 of 23**

WATER CONSUMPTION

<u>Classification</u>	<u>Service Connection</u>		<u>Usage (CCF/CUST)</u>	<u>Consumption (KCcf)</u>	
	<u>2011</u>	<u>2012</u>		<u>2011</u>	<u>2012</u>
METERED SERVICES :					
Residential	4,509	4,509	110.0	496.0	496.0
Commercial	189	189	973.0	183.9	183.9
Industrial	7	7	24,967.4	174.8	174.8
Public Authority	16	16	1,785.8	28.6	28.6
Irrigation	46	46	1,144.4	52.6	52.6
Contract	0	0	0.0	0	0
Other	0	0	0.0	0	0
				0	0
	-----			-----	
Total Metered	4,767	4,767		935.9	935.9
PRIVATE FIRE PROTECTION	31	31	51.8	1.6	1.6
	-----			-----	
TOTAL CONNECTIONS	4,798	4,798		937.5	937.5
WATER LOSS	11.26%	11.26%		109.1	109.1
	-----			-----	
TOTAL WATER PRODUCTION				1,046.5	1,046.5
WELLS (KCcf)				99.8	99.8
PURCHASED WATER (KCcf)				946.7	946.7
SURFACE WATER (KCcf)				0.0	0.0

**GOLDEN STATE WATER COMPANY
BAY POINT DISTRICT - A.10-01-009**

**Schedule BY-1
Bill Comparison for 5/8-inch Meter**

2011 Rates

Monthly Usage (Cubic Feet)	At Present Rates	At Adopted Rates	Increase Amount	Percent Increase
500	\$41.70	\$47.43	\$5.73	13.75%
900 (Avg)	\$55.43	\$66.25	\$10.83	19.53%
1,000	\$59.23	\$71.47	\$12.24	20.66%
2,000	\$100.71	\$128.32	\$27.61	27.42%
2,500	\$122.59	\$158.31	\$35.72	29.14%
3,000	\$144.47	\$188.30	\$43.83	30.34%
4,000	\$188.23	\$248.28	\$60.05	31.90%
10,000	\$450.79	\$608.16	\$157.37	34.91%

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
CLEARLAKE DISTRICT - A.10-01-009
Appendix D page 7 of 23**

<u>Number of Metered Services</u>	----- Schedule CL-1			Non-Residential	
	Residential <u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2011</u>	<u>2012</u>
Meter Size					
5/8 x 3/4 -inch meter	2,086	2,092	0	64	65
3/4	1	1	0	3	3
1	3	3	0	5	6
1/1/2	0	0	0	2	2
2	1	1	0	2	2
3	0	0	0	0	0
4	0	0	0	0	0
6	0	0	0	0	0
8	0	0	0	0	0
10	0	0	0	0	0
	-----	-----	-----	-----	-----
TOTAL METERED SERVICES	2,091	2,097	0	76	78
Private Fire	4	4	0		
	-----	-----	-----		
Total Customers	2,171	2,179	0		
	=====	=====	=====		

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
CLEARLAKE DISTRICT - A.10-01-009
Appendix D page 8 of 23**

WATER CONSUMPTION

<u>Classification</u>	<u>Service Connection</u>			<u>Usage (CCF/CUST)</u>	<u>Consumption (KCcf)</u>		
METERED SERVICES :	<u>2011</u>	<u>2012</u>	<u>2013</u>		<u>2011</u>	<u>2012</u>	<u>2013</u>
Residential	2,091	2,097	2,103	73.4	153	154	154
Commercial	74	76	78	220.2	16	17	17
Industrial	0	0	0	0.0	0.0	0.0	0.0
Public Authority	2	2	2	1.8	0	0	0
Irrigation	0	0	0	0.0	0.0	0.0	0.0
Contract	0	0	0	0.0	0.0	0.0	0.0
Other	0	0	0	0.0	0.0	0.0	0.0
	-----				-----		
Total Metered	2,167	2,175	2,183		169.8	170.7	171.5
PRIVATE FIRE PROTECTION	4	4	4	0.0	0.0	0.0	0.0
	-----				-----		
TOTAL CONNECTIONS	2,171	2,179	2,187		169.8	170.7	171.5
WATER LOSS	34.28%	34.28%	34.28%		80.5	80.9	81.4
	-----				-----		
TOTAL WATER PRODUCTION					250.3	251.6	252.9
WELLS (KCcf)					0.0	0.0	0.0
PURCHASED WATER (KCcf)					192.0	193.3	252.9
SURFACE WATER (KCcf)					58.3	58.3	0.0

**GOLDEN STATE WATER COMPANY
CLEARLAKE DISTRICT - A.10-01-009**

**Schedule CL-1
Bill Comparison for 5/8-inch Meter**

2011 Rates

Monthly Usage (Cubic Feet)	At Present Rates	At Adopted Rates	Increase Amount	Percent Increase
500	\$61.91	\$73.85	\$11.94	19.28%
600 (Avg)	\$65.79	\$78.60	\$12.80	19.46%
1,000	\$81.32	\$97.60	\$16.27	20.01%
2,000	\$120.15	\$145.10	\$24.95	20.77%
2,500	\$139.56	\$168.85	\$29.29	20.99%
3,000	\$158.97	\$192.59	\$33.62	21.15%
4,000	\$197.79	\$240.09	\$42.30	21.39%
10,000	\$430.74	\$525.08	\$94.35	21.90%

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
LOS OSOS DISTRICT - A.10-01-009
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Residential <u>Number of Metered Services</u>	Schedule LO-1 - R		Schedule LO-1 - NR	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
Meter Size				
5/8 x 3/4 -inch meter	2,460	2,463	108	109
3/4	397	397	14	14
1	189	190	40	41
1/1/2	1	1	9	7
2	2	2	35	36
3	0	0	4	4
4	0	0	0	0
6	0	0	1	1
8	0	0	0	0
10	0	0	0	0
Sprinkler System 3/4"	4	4		
Sprinkler System 1"	1	1		
	-----	-----	-----	-----
TOTAL METERED SERVICES	3,054	3,058	211	212
Private Fire	21	22		
	-----	-----		
Total Customers	3,286	3,292		
	=====	=====		

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
LOS OSOS DISTRICT - A.10-01-009
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WATER CONSUMPTION

<u>Classification</u>	<u>Service Connection</u>		<u>Usage (CCF/CUST)</u>	<u>Consumption (KCcf)</u>	
METERED SERVICES :					
	<u>2011</u>	<u>2012</u>		<u>2011</u>	<u>2012</u>
Residential	3,055	3,058	134.00	409.4	409.8
Commercial	171	167	435.00	74.4	72.6
Industrial	1	1	428.00	0.4	0.4
Public Authority	8	8	2,298.80	18.4	18.4
Irrigation	30	35	255.20	7.7	8.9
Contract	0	0	0.00	0.0	0.0
Other	1	1	683.00	0.7	0.7
	-----			-----	
Total Metered	3,266	3,270		510.9	510.9
PRIVATE FIRE PROTECTION	21	22	0.0	0.0	0.0
	-----			-----	
TOTAL CONNECTIONS	3,287	3,292		510.9	510.9
UNACCOUNTED WATER	9.36%	9.36%		48.5	48.5
USED IN OPERATIONS	0.62%	0.62%		3.5	3.5
	-----			-----	
TOTAL WATER PRODUCTION				559.4	559.3
WELLS (KCcf)				562.9	562.8
PURCHASED WATER (KCcf)				0.0	0.0
SURFACE WATER (KCcf)				0.0	0.0

**GOLDEN STATE WATER COMPANY
LOS OSOS DISTRICT - A.10-01-009**

**Schedule LO-1-R
Bill Comparison for 5/8-inch Meter**

2011 Rates

Monthly Usage (Cubic Feet)	At Present Rates	At Adopted Rates	Increase Amount	Percent Increase
500	\$36.18	\$43.81	\$7.64	21.11%
700	\$42.63	\$52.75	\$10.13	23.76%
1,000 (Avg)	\$53.27	\$67.51	\$14.24	26.74%
1,500	\$71.81	\$93.23	\$21.41	29.82%
2,500	\$115.02	\$153.14	\$38.12	33.14%
3,000	\$136.34	\$182.71	\$46.36	34.01%
4,000	\$178.99	\$241.85	\$62.85	35.12%
10,000	\$434.89	\$596.69	\$161.79	37.20%

**GOLDEN STATE WATER COMPANY
LOS OSOS DISTRICT - A.10-01-009**

**Schedule LO-1-NR
Bill Comparison for 5/8-inch Meter**

2011 Rates

Monthly Usage (Cubic Feet)	At Present Rates	At Adopted Rates	Increase Amount	Percent Increase
500	\$39.62	\$54.90	\$15.28	38.57%
700	\$46.39	\$62.32	\$15.93	34.35%
1,000	\$56.54	\$73.45	\$16.91	29.91%
1,500	\$73.46	\$92.00	\$18.54	25.24%
2,500	\$107.30	\$129.10	\$21.80	20.32%
3,300 (Avg)	\$134.37	\$158.78	\$24.41	18.16%
4,000	\$158.06	\$184.75	\$26.69	16.89%
10,000	\$361.10	\$407.35	\$46.25	12.81%

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
OJAI DISTRICT - A.10-01-009
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<u>Number of Metered Services</u>	Schedule OJ-1		Schedule OJ-7ML	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
Meter Size				
5/8 x 3/4 -inch meter	1,918	1,927	7	7
3/4	215	216	1	1
1	557	559	1	1
1/1/2	56	56	0	0
2	109	109	6	6
3	6	6	0	0
4	1	1	0	0
6	1	1	0	0
8	0	0	0	0
10	0	0	0	0
	-----	-----	-----	-----
TOTAL METERED SERVICES	2,863	2,875	15	15
Schedule OJ-3M				
<u>Number of Metered Services</u>	<u>2008</u>	<u>2009</u>		
Meter Size				
2 -inch meter	2	2		
4	0	0		
	-----	-----		
TOTAL METERED SERVICES	2	2		
Private Fire	35	36		
	-----	-----		
Total Customers	2,915	2,928		
	=====	=====		

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
OJAI DISTRICT - A.10-01-009
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WATER CONSUMPTION

<u>Classification</u>	<u>Service Connection</u>		<u>Usage (CCF/CUST)</u>	<u>Consumption (KCcf)</u>	
METERED SERVICES :					
	<u>2011</u>	<u>2012</u>		<u>2011</u>	<u>2012</u>
Residential	2,500	2,507	249.00	622.5	624.2
Commercial	323	326	517.00	167.0	168.5
Industrial	4	4	178.20	0.7	0.7
Public Authority	20	20	1,331.00	26.6	26.6
Irrigation	18	20	5,073.8	91.3	101.5
Contract	15	15	825.0	12.4	12.4
Other	0	0	191.2	0.0	0.0
	-----			-----	
Total Metered	380	385		920.5	934.0
 PRIVATE FIRE PROTECTION	 35	 36	 102.6	 3.6	 3.7
	-----			-----	
TOTAL CONNECTIONS	415	421		924.1	937.7
 UNACCOUNTED WATER	 12.30%	 12.30%		 116.7	 118.4
 USE IN OPERATION	 1.23%	 1.23%		 13.0	 13.1
	-----			-----	
TOTAL WATER PRODUCTION				1,053.7	1,069.2
 WELLS (KCcf)				 817.2	 832.6
PURCHASED WATER (KCcf)				236.6	236.6
SURFACE WATER (KCcf)				0.0	0.0

**GOLDEN STATE WATER COMPANY
OJAI DISTRICT - A.10-01-009**

**Schedule OJ-1
Bill Comparison for 5/8-inch Meter**

2011 Rates

Monthly Usage (Cubic Feet)	At Present Rates	At Adopted Rates	Increase Amount	Percent Increase
500	\$37.06	\$46.73	\$9.67	26.10%
700	\$42.61	\$53.91	\$11.29	26.50%
1,000	\$50.95	\$64.68	\$13.73	26.95%
1,300 (Avg)	\$59.29	\$75.45	\$16.17	27.27%
2,500	\$94.98	\$121.57	\$26.60	28.00%
3,000	\$111.21	\$142.55	\$31.34	28.18%
4,000	\$143.68	\$184.51	\$40.83	28.42%
10,000	\$338.50	\$436.27	\$97.77	28.88%

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
SANTA MARIA DISTRICT - A.10-01-009
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<u>Number of Metered Services</u>	Schedule SM-1-R	
	<u>2011</u>	<u>2012</u>
Meter Size		
5/8 x 3/4 -inch meter	11,401	11,463
3/4	513	516
1	798	802
1/1/2	7	7
2	11	11
3	0	0
4	0	0
6	0	0
8	0	0
10	0	0
TOTAL METERED SERVICES	----- 12,730	----- 12,799

<u>Number of Metered Services</u>	Schedule SM-1-NR	
	<u>2011</u>	<u>2012</u>
Meter Size		
5/8 x 3/4 -inch meter	200	203
3/4	33	33
1	159	161
1/1/2	51	52
2	154	156
3	18	19
4	2	2
6	1	1
8	0	0
10	0	0
TOTAL METERED SERVICES	----- 618	----- 627

<u>Number of Metered Services</u>	Schedule SM-3ML	
	<u>2011</u>	<u>2012</u>
Meter Size		
3/4 -inch meter	4	4
1	1	1
3	2	2
TOTAL METERED SERVICES	----- 7	----- 7

Private Fire	----- 58	----- 61
Total Customers	----- 13,413	----- 13,494
	=====	=====

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
SANTA MARIA DISTRICT - A.10-01-009
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WATER CONSUMPTION

<u>Classification</u>	<u>Service Connection</u>		<u>Usage (CCF/CUST)</u>	<u>Consumption (KCcf)</u>	
METERED SERVICES :					
	<u>2011</u>	<u>2012</u>		<u>2011</u>	<u>2012</u>
Residential	12,730	12,799	263.0	3,348.0	3366.14
Commercial	553	556	952.0	526.5	529.3
Industrial	4	4	62.8	0.3	0.3
Public Authority	15	15	6524.0	97.9	97.9
Irrigation	52	58	1967.0	102.3	114.1
Contract	0	0	0.0	0.0	0.0
Other	1	1	54.0	0.1	0.1
	-----			-----	
Total Metered	13,355	13,433		4,074.9	4,107.7
 PRIVATE FIRE PROTECTION	 58	 61	 14.0	 0.8	 0.9
	-----			-----	
TOTAL CONNECTIONS	13,413	13,494		4,075.7	4,108.6
UNACCOUNTED WATER	9.29%	9.29%		383.389	386.478
USED IN OPERATIONS	0.62%	0.62%		27.700	27.924
	-----			-----	
TOTAL WATER PRODUCTION				4,486.8	4,523.0
WELLS (KCcf)				4,373.3	4,409.5
PURCHASED WATER (KCcf)				113.5	113.5
SURFACE WATER (KCcf)				0.0	0.0

**GOLDEN STATE WATER COMPANY
SANTA MARIA DISTRICT - A.10-01-009**

**Schedule SM-1-R
Bill Comparison for 5/8-inch Meter**

2011 Rates

Monthly Usage (Cubic Feet)	At Present Rates	At Adopted Rates	Increase Amount	Percent Increase
500	\$21.47	\$22.98	\$1.51	7.01%
700	\$24.34	\$26.23	\$1.89	7.75%
1,000	\$28.64	\$31.10	\$2.46	8.59%
1,500	\$35.81	\$39.23	\$3.42	9.54%
2,100 (Avg)	\$45.70	\$50.44	\$4.74	10.36%
3,000	\$60.55	\$67.26	\$6.72	11.09%
4,000	\$80.25	\$89.59	\$9.34	11.64%
10,000	\$194.01	\$218.53	\$24.52	12.64%

**GOLDEN STATE WATER COMPANY
SANTA MARIA DISTRICT - A.10-01-009**

**Schedule SM-1-NR
Bill Comparison for 5/8-inch Meter**

2011 Rates

Monthly Usage (Cubic Feet)	At Present Rates	At Adopted Rates	Increase Amount	Percent Increase
500	\$22.93	\$25.94	\$3.01	13.13%
700	\$25.82	\$29.03	\$3.21	12.45%
1,000	\$30.15	\$33.67	\$3.52	11.67%
1,500	\$37.38	\$41.41	\$4.03	10.78%
2,000	\$44.60	\$49.14	\$4.54	10.18%
3,300 (Avg)	\$63.39	\$69.25	\$5.87	9.25%
4,000	\$73.50	\$80.08	\$6.58	8.95%
10,000	\$160.20	\$172.90	\$12.70	7.93%

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
SIMI VALLEY DISTRICT - A.10-01-009
Appendix D page 21 of 23**

<u>Number of Metered Services</u>	Schedule SI-1 Residential		Non-Residential	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
Meter Size				
5/8 x 3/4 -inch meter	12,326	12,326	79	79
3/4	5	5	0	0
1	87	87	106	106
1/1/2	11	11	106	106
2	55	55	317	317
3	0	0	7	7
4	0	0	3	3
6	0	0	5	5
8	0	0	2	2
10	0	0	0	0
Sprinkler System Services	30	30		
TOTAL METERED SERVICES	----- 12,514	----- 12,514	----- 625	----- 625
 Private Fire	 157	 157		
Total Customers	----- 13,296	----- 13,296		

**GOLDEN STATE WATER COMPANY
STIPULATED QUANTITIES
SIMI VALLEY DISTRICT - A.10-01-009
Appendix D page 22 of 23**

WATER CONSUMPTION

<u>Classification</u>	<u>Service Connection</u>		<u>Usage (CCF/CUST)</u>	<u>Consumption (KCcf)</u>	
METERED SERVICES :					
	<u>2010</u>	<u>2011</u>		<u>2010</u>	<u>2011</u>
Residential	12,514	12,514	184.0	2,302.6	2,302.6
Commercial	447	447	1,070.0	478.3	478.3
Industrial	31	31	521.2	16.2	16.2
Public Authority	115	115	2,182.6	251.0	251.0
Irrigation	29	29	1,478.0	42.9	42.9
Contract	0	0	0.0	0.0	0.0
Other	3	3	102.6	0.3	0.3
	-----			-----	
Total Metered	13,139	13,139		3,091.2	3,091.2
 PRIVATE FIRE PROTECTION	 157	 157	 437.6	 68.7	 68.7
	-----			-----	
TOTAL CONNECTIONS	13,296	13,296		3,159.9	3,159.9
 UNACCOUNTED WATER	 4.17%	 4.17%		 132.1	 132.1
	-----			-----	
TOTAL WATER PRODUCTION				3,292.0	3,292.0
 WELLS (KCcf)				 380.9	 380.9
PURCHASED WATER (KCcf)				2,911.1	2,911.1
SURFACE WATER (KCcf)				0.0	0.0

**GOLDEN STATE WATER COMPANY
SIMI VALLEY DISTRICT - A.10-01-009**

**Schedule SI-1
Bill Comparison for 5/8-inch Meter**

2008 Rates

Monthly Usage (Cubic Feet)	At Present Rates	At Adopted Rates	Increase Amount	Percent Increase
500	\$24.40	\$27.00	\$2.60	10.66%
700	\$29.76	\$32.68	\$2.92	9.81%
1,000	\$37.80	\$41.20	\$3.40	8.99%
1,500	\$52.00	\$56.25	\$4.25	8.17%
1,700 (Avg)	\$58.17	\$62.78	\$4.62	7.94%
3,000	\$102.85	\$110.14	\$7.29	7.09%
4,000	\$138.29	\$147.70	\$9.41	6.80%
10,000	\$350.93	\$373.06	\$22.13	6.31%

(END OF APPENDIX III)

APPENDIX III

APPENDIX E

Page 1 of 15

Schedule No. AC-1

Arden Cordova District

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all general metered water services

TERRITORY

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

RATES

	2011 Proposed Per Month
Quantity Rates:	
First 1,100 cu. ft., per 100 cu. ft.	\$0.958
Service Charge:	
For 5/8 x 3/4-inch meter	\$8.20
For 3/4-inch meter	\$12.30
For 1-inch meter	\$20.55
For 1 1/2 inch meter	\$41.05
For 2-inch meter	\$65.70
For 3-inch meter	\$123.00
For 4-inch meter	\$205.00
For 6-inch meter	\$411.00
For 8-inch meter	\$657.00
For 10-inch meter	\$944.00

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 Rates.

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 May 31, 1995.
- 3 As authorized by the California Public Utilities Commission in Decision 04-03-039, all bills are subject to a surecredit of \$0.0788 per Ccf for a 9-year amortization period, beginning May 6, 2004 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.
- 4 Pursuant to Decision 05-07-045, to recover the balance as of January 31, 2005 in the Water Quality Litigation Memorandum Account, a surcharge of \$0.155 per Ccf is to be added to the quantity rate for 20 years. The surcharge amount will be recalculated once in every rate cycle, or more frequently if in any year the receipt of Water Availability Fee (WAF) monies will permit a reduction of \$0.50 or more in the monthly bill under Tariff AC-2.
- 5 Pursuant to Decision No. 10-01-09, a surcharge of \$0.033 per Ccf will be applied to all metered Customer bills excluding customers that are receiving the CARW credit. This surcharge will offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing Account.

APPENDIX E
Page 2 of 15

Schedule No. AC-2

Arden Cordova District

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.

RATES

Per Month

For a single unit of occupancy, including premises not exceeding 12,000 sq. ft. in area.....	\$49.300
For a duplex including premises not exceeding 12,000 sq. ft. in area.....	\$97.20
a. For each additional detached unit of occupancy on the same premises and served from the same service connection.....	\$49.20
b. For each swimming pool equipped with a re-circulating filter system, on the same premises and served from the same service connection.....	\$10.80

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 As authorized by the California Public Utilities Commission in Decision 04-03-039, all bills are subject to a surecredit of \$2.19 per month for a 9-year amortization period, beginning May 6, 2004 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.
- 5 Pursuant to Decision 05-07-045, to recover the balance as of January 31, 2005 in the Water Quality Litigation Memorandum Account, a surcharge of \$5.42 per month is to be added to the quantity rate for 20 years. The surcharge amount will be recalculated once in every rate cycle, or more frequently if in any year the receipt of Water Availability Fee (WAF) monies will permit a reduction of \$0.50 or more in the monthly bill under this tariff schedule.
- 6 Pursuant to Decision No. 10-01-09, a surcharge of \$1.00 per customer, per month will be applied to all flat rate customer bills excluding customers that are receiving the CARW credit. This surcharge will offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing Account.

APPENDIX E

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Schedule No. BY-1-R

Bay Point District

RESIDENTIAL METERED SERVICE

APPLICABILITY

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

TERRITORY

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

RATES

Quantity Rates:

	2011 Proposed <u>Per Month</u>
First 800 cu. ft., per 100 cu. ft.	\$4.536
Next 600 cu. ft., per 100 cu. ft.	\$5.216
Over 1,400 cu.ft., per 100 cu. ft.	\$5.998

Service Charge:

For 5/8 x 3/4-inch meter	\$24.75
For 3/4-inch meter	\$37.10
For 1-inch meter	\$61.85
For 1 1/2 inch meter	\$124.00
For 2-inch meter	\$198.00
For 3-inch meter	\$371.00
For 4-inch meter	\$618.00
For 6-inch meter	\$1,237.00
For 8-inch meter	\$1,979.00
For 10-inch meter	\$2,845.00

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 Rates.

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
- 3 Pursuant to Decision No. 10-01-09, a surcharge of \$0.033 per Ccf will be applied to all metered customer bills excluding customers that are receiving the CARW credit. This surcharge will offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing Account.

APPENDIX E

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Schedule No. BY-1-NR

Bay Point District

NON-RESIDENTIAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service except those under BY-1-R.

TERRITORY

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

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft.	2011 Proposed Per Month
	\$4.090

Service Charge:

For 5/8 x 3/4-inch meter	\$28.65
For 3/4-inch meter	\$42.95
For 1-inch meter	\$71.60
For 1 1/2 inch meter	\$143.00
For 2-inch meter	\$229.00
For 3-inch meter	\$429.00
For 4-inch meter	\$716.00
For 6-inch meter	\$1,432.00
For 8-inch meter	\$2,290.00
For 10-inch meter	\$3,293.00

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 Rates.

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 or enlarged retail services in this district. An applicant for service must first pay this fee, if to CCWD before service will be rendered under this schedule
- 3 Pursuant to Decision No. 10-01-09, a surcharge of \$0.033 per Ccf will be applied to all metered customer bills excluding customers that are receiving the CARW
CARW administrative program costs recorded in the CARW Balancing Account

APPENDIX E
Page 5 of 15

Schedule No. CL-1

Clearlake District

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Clearlake Park and areas, Lake County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft.....	2011 Proposed <u>Per Month</u> \$4.750
--	--

Service Charge:

For 5/8 x 3/4-inch meter	\$50.10
For 3/4-inch meter	\$75.10
For 1-inch meter	\$125.00
For 1 1/2 inch meter	\$250.00
For 2-inch meter	\$401.00
For 3-inch meter	\$751.00
For 4-inch meter	\$1,252.00
For 6-inch meter	\$2,504.00
For 8-inch meter	\$4,006.00
For 10-inch meter	\$5,759.00
Sprinkler Service Charge	\$0.00

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 Rates.

SPECIAL CONDITIONS

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

- 2 Pursuant to Decision No. 10-01-09, a surcharge of \$0.034 per Ccf will be applied to all metered customer bills excluding customers that are receiving the CARW credit. This surcharge will CARW administrative program costs recorded in the CARW Balancing Account

APPENDIX E
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Schedule No. LO-1-R

Los Osos District

GENERAL METERED SERVICE

APPLICABILITY

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

TERRITORY

Unincorporated areas south of the city of San Luis Obispo in the vicinity of Los Osos, San Luis Obispo County.

RATES

Quantity Rates:

First 800 cu. ft., per 100 cu. ft.	\$4.472
Next 600 cu. ft., per 100 cu. ft.	\$5.143
Over 1,400 cu.ft., per 100 cu. ft.	\$5.914

Service Charge:

For 5/8 x 3/4-inch meter	\$21.45
For 3/4-inch meter	\$32.20
For 1-inch meter	\$53.70
For 1 1/2 inch meter	\$107.00
For 2-inch meter	\$172.00
For 3-inch meter	\$322.00
For 4-inch meter	\$537.00
For 6-inch meter	\$1,074.00
For 8-inch meter	\$1,718.00
For 10-inch meter	\$2,469.00
Sprinkler Service 3/4-inch meter	\$33.15
Sprinkler Service 1-inch meter	\$59.05

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 Rates.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. Pursuant to Decision No. 10-01-09, a surcharge of \$0.033 per Ccf will be applied all metered Customer bills excluding customers that are receiving the CARW credit. This surcharge will offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing Account

APPENDIX E
Page 7 of 15

Schedule No. LO-1-NR

Los Osos District

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water services except those covered under LO-1-R

TERRITORY

Unincorporated areas south of the city of San Luis Obispo in the vicinity of Los Osos, San Luis Obispo County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft.	2011 Proposed <u>Per Month</u> \$3.710
--	--

Service Charge:

For 5/8 x 3/4-inch meter	\$36.35
For 3/4-inch meter	\$54.50
For 1-inch meter	\$90.85
For 1 1/2 inch meter	\$182.00
For 2-inch meter	\$291.00
For 3-inch meter	\$545.00
For 4-inch meter	\$908.00
For 6-inch meter	\$1,817.00
For 8-inch meter	\$2,907.00
For 10-inch meter	\$4,179.00

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 Rates.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. Pursuant to Decision No. 10-01-09, a surcharge of \$0.033 per Ccf will be applied all metered Customer bills excluding customers that are receiving the CARW credit. This surcharge will offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing Account

APPENDIX E
Page 8 of 15

Schedule No. OJ-1

Ojai District

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service except public parks.

TERRITORY

Ojai and vicinity, Ventura County.

RATES

	2011 Proposed <u>Per Month</u>
<u>Quantity Rates:</u>	
First 500 cu. ft., per 100 cu. ft.	\$3.335
Next 1,500 cu. ft., per 100 cu. ft.	\$3.591
Over 2,000 cu.ft., per 100 cu. ft.	\$4.196
<u>Service Charge:</u>	
For 5/8 x 3/4-inch meter	\$30.05
For 3/4-inch meter	\$45.10
For 1-inch meter	\$75.20
For 1 1/2 inch meter	\$150.00
For 2-inch meter	\$241.00
For 3-inch meter	\$451.00
For 4-inch meter	\$752.00
For 6-inch meter	\$1,504.00
For 8-inch meter	\$2,406.00

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 Rates.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. Pursuant to Decision No. 10-01-09, a surcharge of \$0.033 per Ccf will be applied all metered Customer bills excluding customers that are receiving the CARW credit. This surcharge will offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing Account

APPENDIX E
Page 9 of 15

Schedule No. OJ-3M

Ojai District

SPECIAL IRRIGATION METERED SERVICE

APPLICABILITY

Applicable to ten specific parcels of land identified on Special Irrigation Metered Service
Tariff Area Map.

TERRITORY

Ojai and vicinity, Ventura County.

RATES

Quantity Rates:

Casitas Municipal Water District agricultural non-prime rates as amended from
time to time.

Wheeling Charge:

For 2-inch meter

2011 Proposed
Per Month

\$743.00

For 4-inch meter

\$929.00

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 Rates.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. Pursuant to Decision No. 10-01-09, a surcharge of \$0.033 per Ccf will be applied
all metered Customer bills excluding customers that are receiving the CARW credit. This surcharge will
offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing
Account

APPENDIX E
Page 10 of 15

Schedule No. OJ-7ML

Ojai District

PUBLIC PARK METERED SERVICE

APPLICABILITY

Applicable to all metered water service furnished to public parks.

TERRITORY

Ojai and vicinity, Ventura County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft.	2011 Proposed <u>Per Month</u>
	\$2.752

Service Charge:

For 5/8 x 3/4-inch meter	\$30.05
For 3/4-inch meter	\$45.10
For 1-inch meter	\$75.20
For 1 1/2 inch meter	\$150.00
For 2-inch meter	\$241.00

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 Rates.

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.
5. Pursuant to Decision No. 10-01-09, a surcharge of \$0.033 per Ccf will be applied all metered Customer bills excluding customers that are receiving the CARW credit. This surcharge will offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing Account

APPENDIX E
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Schedule No. SM-1-R

Santa Maria District

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all residential metered water services defined under special condition no. 2

TERRITORY

Within the established Santa Maria District, San Luis Obispo County and Santa Barbara County.

RATES

	2011 Proposed <u>Per Month</u>
<u>Quantity Rates:</u>	
First 1,500 cu. ft., per 100 cu. ft.	\$1.625
Next 1,200 cu. ft., per 100 cu. ft.	\$1.869
Over 2,700 cu.ft., per 100 cu. ft.	\$2.149
 <u>Service Charge:</u>	
For 5/8 x 3/4-inch meter	\$14.85
For 3/4-inch meter	\$22.30
For 1-inch meter	\$37.20
For 1 1/2 inch meter	\$74.35
For 2-inch meter	\$119.00
For 3-inch meter	\$223.00
For 4-inch meter	\$372.00
For 6-inch meter	\$744.00
For 8-inch meter	\$1,190.00
For 10-inch meter	\$1,710.00

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 Rates.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. Pursuant to Decision 07-05-041, to recover the Santa Maria Water Rights Litigation expense balance as of December 31, 2005, a surcharge of 0.080 per Ccf is to be added to the quantity rate and is subject to recalibration annually. The revenue from the surcharge will be applied to the Santa Maria Water Rights Balancing Account. The surcharge will begin on the effective date of Advice Letter 1244-WA and will continue for a period of 10 years or until the SMWRBA is fully recovered, whichever is sooner.
3. Pursuant to Decision No. 10-01-09, a surcharge of \$0.033 per Ccf will be applied all metered Customer bills excluding customers that are receiving the CARW credit. This surcharge will offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing Account

APPENDIX E
Page 12 of 15

Schedule No. SM-1-NR

Santa Maria District

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water services except those covered under SM-1-R

TERRITORY

Within the established Santa Maria District, San Luis Obispo County and Santa Barbara County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft.	2011 Proposed <u>Per Month</u> \$1.547
--	--

Service Charge:

For 5/8 x 3/4-inch meter	\$18.20
For 3/4-inch meter	\$27.25
For 1-inch meter	\$45.45
For 1 1/2 inch meter	\$90.90
For 2-inch meter	\$145.00
For 3-inch meter	\$273.00
For 4-inch meter	\$455.00
For 6-inch meter	\$909.00
For 8-inch meter	\$1,454.00
For 10-inch meter	\$2,091.00

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 Rates.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. Pursuant to Decision 07-05-041, to recover the Santa Maria Water Rights Litigation expense balance as of December 31, 2005, a surcharge of 0.080 per Ccf is to be added to the quantity rate and is subject to recalibration annually. The revenue from the surcharge will be applied to the Santa Maria Water Rights Balancing Account. The surcharge will begin on the effective date of Advice Letter 1244-WA and will continue for a period of 10 years or until the SMWRBA is fully recovered, whichever is sooner.
3. Pursuant to Decision No. 10-01-09, a surcharge of \$0.033 per Ccf will be applied all metered Customer bills excluding customers that are receiving the CARW credit. This surcharge will offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing Account

APPENDIX E
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Schedule No. SM-3ML

Santa Maria District

LIMITED METERED IRRIGATION SERVICE

APPLICABILITY

Applicable to metered irrigation water service.

TERRITORY

The unincorporated area known as Lake Marie Ranches located in the former Lake Marie Service Area.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft.	2011 Proposed <u>Per Month</u> \$0.996
--	--

Service Charge:

For 3/4-inch meter	\$49.65
For 1-inch meter	\$55.80
For 3-inch meter	\$131.00

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 Rates

SPECIAL CONDITIONS

1. A customer desiring to obtain water deliveries under this schedule must first obtain a written permit from the utility, with service limited to existing customer as of December 31
2. The utility will supply only such water at such pressure as may be available from the time to time as a result of its normal operations.
3. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
4. Pursuant to Decision 07-05-041, to recover the Santa Maria Water Rights Litigation expense balance as of December 31, 2005, a surcharge of 0.080 per Ccf is to be added to the quantity rate and is subject to recalibration annually. The revenue from the surcharge will be applied to the Santa Maria Water Rights Balancing Account. The surcharge will begin on the effective date of Advice Letter 1244-WA and will continue for a period of 10 years or until the SMWRBA is fully recovered, whichever is sooner.
5. Pursuant to Decision No. 10-01-09, a surcharge of \$0.033 per Ccf will be applied all metered Customer bills excluding customers that are receiving the CARW credit. This surcharge will offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing Account

APPENDIX E
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Schedule No. SI-1-R

Simi Valley District

GENERAL METERED SERVICE

APPLICABILITY

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

TERRITORY

Portions of the City of Simi Valley and vicinity, Ventura County.

RATES

Quantity Rates:

First 1,300 cu. ft., per 100 cu. ft.	\$2.840
Next 700 cu. ft., per 100 cu. ft.	\$3.266
Over 2,000 cu.ft., per 100 cu. ft.	\$3.756

Service Charge:

For 5/8 x 3/4-inch meter	\$12.80
For 3/4-inch meter	\$19.20
For 1-inch meter	\$32.00
For 1 1/2 inch meter	\$64.00
For 2-inch meter	\$102.00
For 3-inch meter	\$192.00
For 4-inch meter	\$320.00
For 6-inch meter	\$640.00
For 8-inch meter	\$1,024.00
For 10-inch meter	\$1,472.00
Sprinkler Service 5/8 x 3/4 inch	\$14.10

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 Rates.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. As authorized by the California Public Utilities Commission, an amount of \$0.13420 per Ccf is to be added to the Quantity Rate for a period of 36 months, beginning on the effective date of Advice Letter 1227-W, which is January 1, 2007. This surcharge will recover the undercollection in the Balancing-Type Memorandum Account, as of August 31, 2006.
3. Pursuant to Decision No. 10-01-09, a surcharge of \$0.033 per Ccf will be applied all metered Customer bills excluding customers that are receiving the CARW credit. This surcharge will offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing Account

APPENDIX E
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Schedule No. SI-1-NR

Simi Valley District

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service except those covered under SI-1-R.

TERRITORY

Portions of the City of Simi Valley and vicinity, Ventura County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft.	2011 Proposed <u>Per Month</u> \$3.006
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Service Charge:

For 5/8 x 3/4-inch meter	\$13.45
For 3/4-inch meter	\$20.15
For 1-inch meter	\$33.60
For 1 1/2 inch meter	\$67.20
For 2-inch meter	\$108.00
For 3-inch meter	\$202.00
For 4-inch meter	\$336.00
For 6-inch meter	\$672.00
For 8-inch meter	\$1,075.00
For 10-inch meter	\$1,546.00

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 Rates.

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. As authorized by the California Public Utilities Commission, an amount of \$0.13420 per Ccf is to be added to the Quantity Rate for a period of 36 months, beginning on the effective date of Advice Letter 1227-W, which is January 1, 2007. This surcharge will recover the undercollection in the Balancing-Type Memorandum Account, as of August 31, 2006.
3. Pursuant to Decision No. 10-01-09, a surcharge of \$0.033 per Ccf will be applied all metered Customer bills excluding customers that are receiving the CARW credit. This surcharge will offset the CARW credits and CARW administrative program costs recorded in the CARW Balancing Account

(END OF APPENDIX IIII)