BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

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Application of California-American Water Company (U-210-W) to issue, sell, and deliver debt securities consisting of long-term notes not exceeding $550,882,934 in the aggregate, and other related requests.	Application No. 26-XX-XXX

FINANCING APPLICATION OF CALIFORNIA-AMERICAN WATER COMPANY (U-210-W)

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Date: October 27, 2026

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Application of California-American Water Company (U-210-W) to issue, sell, and deliver debt securities consisting of long-term notes not exceeding $550,882,934 in the aggregate, and other related requests.	Application No. 26-XX-XXX

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Pursuant to Articles 5 and 6 of Chapter 4, Part1, Division 1 of the Public Utilities Code (including Sections 816 – 830), Rule 3.5 of the California Public Utilities Commission ("Commission") Rules of Practice and Procedure, and various decisions, including D.12-06-015, *Adopting A New Finance Rule and General Order 24-C*, California-American Water Company ("California American Water" or the "Company") respectfully submits this financing application ("Application") seeking authorization to issue and sell debt securities consisting of long-term notes, to take out certain loans, and to undertake other related activities.

Approval of the financing California American Water requests in this application is important to ensure the utility's continued efficient, orderly operation. California American Water has notes totaling $85.2 million maturing through 2028. These include $50 million of notes that matured or were redeemed in May and June of 2026; $0.2 million maturing in 2027; and $35 million maturing in 2028. The approvals sought in this application will allow California American Water to refinance these $85.2 million in notes coming due through 2028. In addition to the $85.2 million needed to refinance notes coming due, approval of the financing authority requested is necessary to assist in meeting capital and other obligations as well as meeting Commission mandates and policies. This will require issuance of additional debt, which is

critical to the operation of the utility.

1. AUTHORIZATION SOUGHT

1.1 California American Water seeks authority to, directly and/or through its affiliate, American Water Capital Corp. ("Capital Corp."), from time to time over the next sixty months or until the authority is fully used, issue, sell, and deliver for cash, long-term bonds, notes, loans or other evidence of indebtedness ("Debt Securities"), including loans from governmental agencies and obligations issued by conduit issuers, which are taxable and/or tax exempt, in an aggregate amount not to exceed $550,882,934. The requested authority also includes low-cost governmental and/or tax-exempt financing, specifically State Revolving Fund Loans ("SRF Loans"), which reduce financing costs for customers. California American Water will seek the least cost financing available, whether the Debt Securities are issued by Capital Corp. or California American Water.

1.2 California American Water seeks authority to use net proceeds received in connection with the Debt Securities for purposes permitted under Section 817 of the California Public Utilities Code, including (1) for the discharge or refinancing of a portion of its existing indebtedness; (2) for capital expenditures including construction, completion, and improvement of California American Water's facilities and infrastructure; (3) for the acquisition of utility properties and systems; and (4) to reimburse its treasury for capital expenditures.

1.3 In Decision ("D.") 14-07-015, at Ordering Paragraph 3; in D. 18-07-013, at Ordering Paragraph 5; and in D.23-05-008, at Ordering Paragraph 4, the Commission granted California American Water a waiver from those California Public Utilities Code Section 818 requirements applying to new short-term borrowings in connection with the Company's revolving credit arrangements. The waiver authorizes California American Water to borrow under revolving credit arrangements payable at periods up to twenty-four months, rather than the twelve-month period currently permitted for short-term borrowings under Section 818, to potentially provide financing cost savings when prevailing short-term interest rates are relatively

low, helping reduce the cost of providing utility service. California American Water, for the same reasons the Commission relied on in D.14-07-015, D. 18-07-013, and D.23-05-008 for granting the waiver, requests the waiver remain in place and be continuing and ongoing.

1.4 Likewise, in D.14-07-015, at Ordering Paragraph 2; in D. 18-07-013, at Ordering Paragraph 4; and D.23-05-008, at p. 6, the Commission authorized California American Water to use certain debt securities enhancement and interest rate management features. California American Water requests that authorization remain continuing and ongoing.

1.5 Through this Application, California American Water requests authority to obtain SRF Loans to help finance the Monterey Peninsula Water Supply Project ("MPWSP"). In D.18-09-017, the Commission authorized a Certificate of Public Convenience and Necessity for California American Water's MPWSP. The Commission concluded that "Cal-Am should utilize grant funds, public bonds, SRF, and strive for the least cost financing for the MPWSP."[1] The Commission has, for example, previously granted authority to Class A water utilities to enter SRF Loans, which the Commission found "provide a much lower cost of capital than either equity or other forms of debt."[2] The Commission found that, in conjunction with its own oversight, the conditions set by the State Water Resources Control Board ("SWRCB") for the SRF Loans "ensure proper accounting and handling of the loan proceeds and surcharges collected."[3]

The plan for the MPWSP is focused on minimizing customer costs. The only authority requested in this Application by California American Water in connection with MPWSP financing relates to approximately $50 million in SRF Loans from the SWRCB, or potentially more if additional SRF funding is available. California American Water will seek

[1] D.18-09-017, p. 206.

[2] Resolution W-5168, p. 8; see also D.08-09-002; D.05-01-048.

[3] Resolution W-5168, p. 8.

traditional utility debt financing in connection with other project costs. These financing amounts are included in the $550,882,934 aggregate amount requested in this Application.[4] California American Water does not, in this Application, ask for any approvals related to construction or authorization of the MPWSP. The requests in this Application relate only to general financing authority.

1.6 California American Water requests the authority granted pursuant to this Application be effective upon payment of fees prescribed by Section 1904(b) and 1904.1 of the Public Utilities Code. The authorization requested in this Application is in addition to, continues, and incorporates that which California American Water received under prior financing decisions.

2. CORPORATE INFORMATION

2.1 California American Water's exact legal name is California-American Water Company. Its principal place of business is 700 Riverpoint Drive, West Sacramento, CA, 95605, Telephone: (916) 568-4237.

2.2 California American Water is a public utility corporation engaged principally in the business of providing water service in portions of the counties of Los Angeles, Ventura, San Diego, Monterey, Sacramento, Placer, Yolo, Merced, Madera, Santa Clara, and Sonoma.

2.3 California American Water requests that copies of all communications and correspondence regarding this Application be sent to:

Jonathan Morse
Senior Director of Rates & Regulatory
California-American Water Company
700 Riverpoint Drive
West Sacramento, CA 95605

[4] These financing amounts include SRF. They do not include any securitization of Water Rate Relief Bonds under Public Utilities Code §§ 849 et seq. Any securitization of those Water Rate Relief Bonds will, pursuant to D.18-09-017, Ordering ¶24, be requested in a separate application for a financing order. No securitization authority is requested here.

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Email: jonathan.morse@amwater.com

With copies sent to:

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2.4 A certified copy of California American Water's articles of incorporation was filed with the Commission on January 6, 1966, in connection with Application 48170. California American Water filed a certified copy of an amendment to its articles of incorporation with the Commission on November 30, 1989, in connection with Application 89-11-036. California American Water filed a certified copy of a further amendment to its articles of incorporation with the Commission on February 28, 2002, in connection with Application 02-02-030. California American Water filed with the Commission a certified copy of an additional amendment to its articles of incorporation with Application 17-04-003. California American Water has not subsequently amended its articles of incorporation.

2.5 A full description of California American Water's plant, systems, and property is on file with this Commission in California American Water's 2025 Annual Report to the Commission. The description includes a statement of the original cost as well as the cost to California American Water of such property and of the depreciation and amortization reserves applicable to such property.

2.6 As of the date of this Application, First Mortgage Bonds in the total principal amount of $10.0 million encumber California American Water's properties. Those bonds were issued pursuant to a First Mortgage Bond Indenture dated October 1, 1969, between Applicant and Bank of America N.T. & S.A., as Trustee (the "Original Indenture"), which has been amended and supplemented (collectively, the "Indenture"). U.S. Bank Corporate Trust is the current Indenture Trustee. The Original Indenture was issued pursuant to Commission Decision No. 76071 (Application No. 51281). The bonds presently issued and outstanding under the Indenture are identified in Exhibit 1, with principal amounts, denominations, debt costs, and issue/due dates as specified.

2.7 As of the date of this Application, California American Water owes unsecured debt in the form of notes payable to Capital Corp. for $636.143 million and tax-exempt debt in the form of notes payable to Capital Corp. for $35.0 million. Those notes were issued in accordance with Commission Decisions 08-11-025, 06-07-035, 14-07-015, 18-07-013, 23-05-008. As the Commission is aware, California American Water's Financial Services Agreement with Capital Corp. does not prohibit or restrict California American Water from borrowing from other parties or obtaining financial services from other parties whenever and on whatever terms it deems appropriate. As discussed above, California American Water may have the opportunity to finance certain capital projects through special low-cost or tax advantaged government programs due to the special public benefits associated with certain projects. As such, California American Water seeks Commission authority in this Application to engage in these types of borrowings and debt financings, either directly or through Capital Corp., during the proposed five-year period. California American Water's obligations with respect to SRF Loans and tax-exempt bonds may be evidenced by a loan agreement and may be unsecured or may be secured by general mortgage bonds or other property of California American Water.

2.8 California American Water is not required to borrow from Capital Corp.; however, as the Commission has recognized on several occasions, California American Water's financing arrangement with Capital Corp. provides important benefits. California American

Water may have less access to the capital markets than Capital Corp., while Capital Corp. securities are issued in transactions of sufficient size to ensure financing obtains the most favorable market rate possible. Capital Corp. can respond quickly to, and take advantage of, changes in the debt market through its shelf registration with the United States Securities and Exchange Commission, thereby allowing it flexibility to adapt to the most favorable method of sale given prevailing market conditions. Through its arrangement with Capital Corp. and based on Capital Corp.'s credit rating, California American Water may therefore better attract capital for necessary investment and achieve flexibility and savings. Thus, California American Water's arrangement with Capital Corp., through more favorable financing terms, would typically help lower the cost of utility services to California American Water's customers.

2.9 California American Water may also be able to obtain tax-exempt financing on an unsecured basis through Capital Corp. If available, California American Water will enjoy the advantage of tax- exempt interest rates based on the rating of Capital Corp. California American Water will not issue tax-exempt notes (or taxable notes) to Capital Corp. unless it can determine that, based on market conditions at the time, such issuance will result in the lower overall cost to California American Water for securities of comparable type, maturity, and terms. Exhibit 1, lines 2-21, identifies notes payable between California American Water and Capital Corp., in accordance with the decisions noted herein and the terms of the Financial Services Agreement.

2.10 As of December 31, 2025, California American Water's audited financials show an outstanding short-term indebtedness owed to Capital Corp. on a revolving line of credit (Net of Cash on Hand) in the amount of $127.9 million. That short-term indebtedness was incurred for the purpose of construction, completion, acquisition, and improvement of California American Water's facilities. Part of the requested borrowing authority will be used to offset a portion or all of this short-term indebtedness.

3. FINANCIAL INFORMATION

3.1 Financial Statements. California American Water's audited Balance Sheets as of December 31, 2025 and 2024 are attached as Exhibit 2. California American Water's Income Statements are attached as Exhibit 3. Cash Flow statements are attached as Exhibit 4.

3.2 Utility Plant. As shown on Exhibit 2, as of December 31, 2025, the recorded net book value of California American Water's Total Property, Plant and Equipment, net of accumulated depreciation, was $1.731 billion.

3.3 Advances and Contributions. As shown in Exhibit 2, as of December 31, 2025, California American Water's advances were at $27.487 million and contributions at $135.201 million for a total of $162.688 million.

3.4 Capitalization Ratios. California American Water's recorded capitalization ratios at December 31, 2025, and forecast though December 31, 2030, are attached as Exhibit 5.

4. EXISTING FINANCING AUTHORITY

4.1 California American Water's existing financing authority was granted in D.23-05-008, dated May 18, 2023. That decision, among other things, states:

- California American Water was authorized to issue new Debt Securities of $397,261,000 for the years 2022 through 2026.
- California American Water may use selected debt securities enhancements and interest rate management features previously approved in D.14-07-015 and D.18-07-013.
- California American Water is to apply the proceeds of the indebtedness authorized in D.23-05-008 for the purposes specified in Application 22-08-007.

4.2 D.23-05-008 authorized California American Water to use the following debt securities enhancements and interest rate management features: put options; call options (call premium); sinking fund; hedging, including – fund today, price later strategies (such as long

hedges, treasury options, interest rate swaps), price today, fund later strategies (including treasury locks, treasury options, interest rate swaps); spread locks; spread options; swaptions; caps and collars; credit enhancements; capital replacements; interest deferrals; and delayed drawdowns.

4.3 D.23-05-008 also provided a waiver from the requirements of Public Utilities Code Section 818, as applied to California American Water's new short-term debt issued under its revolving credit arrangement.

4.4 Subsequent to the existing financing authority being granted, California American Water has redeemed $120.0 million in long-term debt.

5. USE OF PROCEEDS FROM SALE OF SECURITIES

5.1 California American Water anticipates substantial cash needs over the next five years to refinance existing debt, upgrade aging infrastructure, add new facilities and infrastructure, acquire other utility property and systems, and meet its capital obligations. Anticipated cash needs total $550,882,934, as shown in Exhibit 6, titled "Annual Sources and Uses." The $550,882,934 figure represents the "net needs" before current authorizations are considered. Cash flow projections for FY 2026-2030 are shown in Exhibit 7.

5.2 Use of the requested authority will assist the Company to operate its business safely and efficiently, investing in infrastructure to enhance and maintain system reliability, proactively addressing water supply availability and resiliency, investing in our employees – all furthering the Commission's Environmental and Social Justice Plan. Funds secured in connection with the requested financing are also expected to be used in conjunction with California American Water's long-standing and successful supplier diversity program.

5.3 The Public Utilities Code section 1904 fee calculation is set forth in Exhibit 8. Exhibit 8 shows that $85,196,023 in long-term notes will come due prior to December 31, 2030. Pursuant to section 1904, fees were previously paid for this $85,196,023; therefore, that amount

is subtracted from the $550,882,934 figure, leaving $465,686,911, which is the basis for the $238,843 fee shown in Exhibit 8.

5.4 Capital Spending gross expenditures are summarized in Exhibit 9.

6. DESCRIPTION OF NEW DEBT SECURITIES

6.1 General: California American Water seeks authority to issue Debt Securities so it may expeditiously secure indebtedness at the lowest possible cost and with the most favorable terms consistent with its capital requirements. California American Water intends to determine the precise characteristics and methods associated with the issuance of such Debt Securities at or near the time of sale with due regard for existing and anticipated financial market conditions. California American Water therefore seeks authority to, directly and/or through Capital Corp., over approximately the next sixty months or until the authority is fully used, issue, sell, and deliver for cash Debt Securities. California American Water also seeks the authority to obtain SRF Loans in connection with the financing of the MPWSP.

6.2 Title of the Debt Security Instrument: Long-term notes.

6.3 Aggregate Principal Amount to be Issued: Up to an aggregate of $550,882,934 of long-term notes.

6.4 Expected Date of Issue: Indebtedness up to the aggregate authorized amount will be issued over a period of up to sixty months or until the authority is fully used and is dependent upon market conditions and the capital requirements of California American Water. It is anticipated the first issue will occur upon the effective date of Commission approval of this Application.

6.5 Date of Maturity: In the case of long-term debt, the maturities will not be more than 30 years from the nominal date of issue or the loan, with the expectation that the maturity dates would be from 1 to 30 years, depending on market conditions.

6.6 Interest Rates: Because of changing market conditions, it is not in the best interest of California American Water or its customers to determine the definitive terms of the

notes at this time. California American Water requests Commission authority to offer, issue, and deliver notes with interest rates based on market conditions existing at the time of negotiating the terms. The interest rates for SRF Loans will be set by the SWRCB.

6.7 Extent Issuer Assumes Taxes on Notes: None.

6.8 Security: The notes will be unsecured and therefore will be at parity with California American Water's unsecured creditors. They will not have the benefit of the security afforded by California American Water's Indenture. SRF Loans may be unsecured or may be secured, or supported by pledges, covenants or other credit support, as required by the SWRCB or the applicable loan agreement, including by general mortgage bonds or other property of California American Water. California American Water requests authority under Section 851 to encumber its property only as necessary for that purpose.

6.9 Callability and Conversion Procedures: The Debt Securities evidencing long-term indebtedness will have the same callability features as is obtained in connection with borrowings from which the proceeds of the loans to California American Water are derived. These may include provisions for redemption at the option of California American Water or tender at the option of the purchaser as may be negotiated with the agent or purchaser(s) of the securities evidencing the indebtedness. These provisions will be provided by reference to a prospectus or offering memorandum relating to the notes, which will subsequently be provided to the Commission. The callability and conversion procedures for SRF will be determined by agreements with the state agencies providing that financing.

6.10 The notes will have no conversion features.

6.11 Maintenance and Depreciation Provisions: There will be no maintenance and depreciation requirements unless the borrowings are made on a tax-free basis; such provisions are then usually required.

6.12 Sinking or Other Fund Provisions: The notes will reflect whatever terms can be obtained from its lenders. Any such provisions, if present, would be evaluated based on the impact on financing costs.

6.13 SRF Loans: California's Water SRF programs are self-perpetuating financial assistance programs managed by the SWRCB that provide, among other things, low-interest loans for drinking water, wastewater, and water quality infrastructure projects. The Commission has previously granted authority to water utilities to enter SRF loans, which the Commission found "provide a much lower cost of capital than either equity or other forms of debt."[5]

7. CONTINUANCE OF PREVIOUSLY APPROVED AUTHORITY

7.1 California American Water requests continued authority, consistent with that granted in D.14-07-015, D. 18-07-013, and D.23-05-008, to use the debt securities enhancement and interest rate management features[6] authorized in D.14-07-015, D. 18-07-013, D.23-05-008, for the reasons relied on in the issuance of those Decisions.

7.2 Consistent with D.12-06-015, utilities such as California American Water may choose whether to issue debt via competitive or negotiated bid.[7]

7.3 Consistent with D.14-07-015, D. 18-07-013 and D.23-05-008, California American Water requests continuance of the waiver from those California Public Utilities Code Section 818 requirements applying to short-term borrowings in connection with the Company's revolving credit arrangements. The waiver authorizes California American Water to borrow under revolving credit arrangements payable at periods up to twenty-four months, rather than the twelve-month period currently permitted for short-term borrowings under Section 818, in order

[5] Resolution W-5168, p. 8; see also D.08-09-002; D.05-01-048.

[6] These include the put option; the call option (call premium); the sinking fund; hedging, including fund today, price later strategies (such as long hedges, treasury options, interest rate swaps), price today, fund later strategies (including treasury locks, treasury options, interest rate swaps); spread locks; spread options; swaptions; cap and collars; credit enhancements; capital replacements; interest deferrals; and delayed drawdowns. California American Water further requires, consistent with Final Competitive Bidding Rule 6.a., "Attachment A" to Decision 12-06-015, and as was provided in D.14-07-015 and D. 18-07-013, that these instruments not be counted against the Company's authorized amount of new Debt Securities since these instruments would not affect the amount of the underlying securities issued.

[7] *See* D.12-06-015, pp. 2; 36, Conclusion of Law 1; and Attachment A, Rule 1.

to potentially provide financing cost savings when prevailing short-term interest rates are relatively low, helping lower the cost of providing utility service. This request is made for the same reasons relied on in the issuance of D.14-07-015, D. 18-07-013, and D.23-05-008. It requests the waiver remain in place and be continuing and ongoing.

8. PROPOSED CATEGORIZATION, NEED FOR HEARING, AND PROPOSED SCHEDULE

8.1 In accordance with Rule 2.1(c) of the Commission's Rules of Practice and Procedure, California American Water provides the following information concerning the "The proposed category for the proceeding, the need for hearing, the issues to be considered including relevant safety considerations, and a proposed schedule."

8.2 Category: Ratesetting. California American Water proposes to categorize this Application as a "ratesetting" within the meaning of Practice and Procedure Rules 1.3(g) and 7.1(e). The Company therefore files with this Application certain Attachments containing supplemental information relating to the authorizations requested in the Application, as required under Public Utilities Code Sections 816-830. If appropriate, additional evidence will be introduced in response to data requests and, if necessary, through oral and written direct and rebuttal testimony and other exhibits sponsored by California American Water.

8.3 Evidentiary Hearings Not Necessary. California American Water believes that evidentiary hearings are not necessary and respectfully requests that the Commission find that no hearing is necessary with respect to this Application. This Application does not raise any material issue of fact or law. The necessity for the requested authorization has been demonstrated. The information and documentation included with this Application is sufficient for the Commission to issue a decision without conducting hearings.

8.4 Issue. Has California American Water justified the need for the relief requested in this Application under applicable laws and statutes?

8.5 Schedule. California American Water requests expedited treatment of this Application. Authorization of the relief sought herein at the earliest possible date will permit California American Water to proceed with its proposed financing in an expeditious manner. Expeditious treatment is important to helping allow California American Water to secure SRF Loans. Timely authorization is needed so California American Water can execute the SRF financing agreement when offered by the SWRCB, consistent with the Project's anticipated in-service date in late 2029. That, in turn, will allow the Company to pursue its objectives in a timely, cost-effective manner to the benefit of ratepayers.

California American Waters suggests the following schedule:

Date	**Event**
October 27, 2026	Application Filed
November 2026	Protests/Responses Due
December 2026	Prehearing Conference
February 2027	Draft Decision
March 2027	Commission Decision Adopted

9. PRAYER

9.1 California American Water respectfully requests that Commission make appropriate findings and issue its Order on an expedited basis as follows:

9.2 Authorizing California-American Water Company, on or after the effective date of the Order, to, on its own or through American Water Capital Corp, issue, sell and deliver debt securities consisting of long-term notes, not exceeding an aggregate of $550,882,934, all upon the terms and conditions consistent with those set forth or contemplated in this Application.

9.3 Authorizing California American Water to use the proceeds from such financings in accordance with the provisions of Public Utilities Code Section 817, including (1) for the discharge or refinancing of a portion of its existing indebtedness; (2) for capital expenditures including construction, completion, and improvement of California American Water's facilities

and infrastructure; (3) for the acquisition of utility properties and systems; and (4) to reimburse its treasury for capital expenditures.

9.4 The authorizations requested in this Application are in addition to, continue, and incorporate those authorizations California American Water received under prior financing decisions.

9.5 Granting California American Water an ongoing and continued waiver from the requirements of Pub. Util. Code. Section 818 as it applies to California American Water's new short-term debt issued under its revolving credit arrangement.

9.6 Consistent with the authority granted in D.14-07-015, D. 18-07-013, and D.23-05-008, grant California American Water ongoing and continued authority to use debt securities enhancement and interest rate management features as permitted in that Decision.[8]

9.7 Authorizing California American Water to borrow approximately $50,000,000 in SRF Loans from state sources (more if permitted and less if only a reduced amount is available), with terms and conditions set forth in agreements to be entered between California American Water and the SWRCB, with payments of principal and interest to finance improvements to California American Water's water system, as discussed above in this Application.

9.8. Authorizing California American Water to mortgage and/or encumber its assets in connection with the SRF Loans described in this Application, in accordance with and subject to the terms of agreements between the SWRCB and California American Water and this Application.

9.9 Authorizing California American Water to impose a surcharge on only its Monterey service area[9] customers, excluding customers enrolled in the Customer Assistance Program, and to collect revenue from those customers that will be served by the MPWSP, with

[8] These include put options; call options (premium); sinking funds; long hedges; treasury options; interest rate swaps; treasury locks; spread locks; spread options; caps and collars; credit enhancements; capital replacement; interest deferral; and delayed drawdown.

[9] This includes the Monterey Main System, Bishop, Hidden Hills, and Ryan Ranch.

that surcharge and revenue being sufficient to enable California American Water to repay the SRF Loan amounts pursuant to the agreements between California American Water and the SWRCB.

9.10 Authorizing California American Water to establish a MPWSP Safe Drinking Water State Revolving Fund Balancing Account to record the difference between (a) SRF Loan interest, fees and any principal forgiveness, and (b) the corresponding amounts reflected in rates. The account would be credited with revenue collected, including through the surcharge, and with interest earned on funds deposited in an account managed by a fiscal agent. Any such balancing account should be reduced by payments of principal and interest on the loans and with any charges for services of the fiscal agent.

9.11 Authorizing California American Water to, consistent with Resolution W-5211 as may be amended,[10] file Tier 2 advice letters to put changes associated with the SRF Loans into rates. Specifically, the advice letter will (1) included an executed copy of the SRF Loan Agreement, (2) implement new tariffs to recover revenue through the surcharge that is necessary to repay the SRF Loans, and (3) authorize California American Water to establish the MPWSP State Revolving Fund Balancing Account.

9.12 Authorizing California American Water to execute and deliver related documents required for completion of the proposed financings and the long-term promissory note appended thereto, in, or substantially in, the same form as such exhibit.

9.13 Specifying that the authority granted in such Order shall become effective immediately upon payment of fees prescribed in Sections 1904(b) and 1904.1 of the Public Utilities Code.

[10] Resolution W-5211, *California-American Water Company, Order Authorizing Adjustments and Implementation of the Financing and Ratemaking Framework in Decision 18-09-017; the Establishment of Two Associated Memorandum Accounts; and the Replacement of the Construction Funding Charge with Additional Low Cost State Revolving Fund Loans, Associated with the Monterey Peninsula Water Supply Project*, Issued Dec. 27, 2019, at p. 11 of Attachment A, Section 13.4.

9.14 Granting such further or different relief as the Commission may deem to be appropriate under the circumstances.

Dated: October 27, 2026

Respectfully submitted,

CALIFORNIA-AMERICAN WATER COMPANY

By: */s/ Nicholas A. Subias*

Nicholas A. Subias
Attorney for Applicant
California-American Water Company
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VERIFICATION

I, Stacey A. Fulter, am Director, Finance, of the applicant corporation herein, and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as matters which are therein stated on information or belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 27, 2026 at San Diego, CA

/s/ Stacey A. Fulter
Stacey A. Fulter
Director, Finance

EXHIBIT 1

Exhibit 1

CALIFORNIA AMERICAN WATER
EMBEDDED COST OF LONG-TERM DEBT - YEAR-END 2026

Row #	Debt Issue	Issued	Due	Principal Amount	Interest
1	6.76%	12/1/1993	12/1/2033	$ 10,000,000	$ 676,000
2	4.30%	8/13/2015	9/1/2045	30,000,000	1,290,000
3	3.75%	8/10/2017	9/1/2047	25,000,000	937,500
4	3.75%	8/10/2017	9/1/2047	5,940,000	222,750
5	4.20%	8/9/2018	9/1/2048	85,000,000	3,570,000
6	4.15%	5/13/2019	6/1/2049	30,003,000	1,245,125
7	3.45%	4/14/2020	5/1/2050	15,000,000	517,500
8	3.25%	5/14/2021	6/1/2051	35,200,000	1,144,000
9	3.25%	6/14/2021	6/1/2051	110,000,000	3,575,000
10	4.45%	5/5/2022	6/1/2032	40,000,000	1,780,000
11	3.70%	9/1/2023	9/1/2028	35,000,000	1,295,000
12	0.00%	6/24/2020	1/1/2038	1,405,390	-
13	2.50%	4/1/2013	3/1/2033	57,357	1,435
14	0.00%	2/4/2020	4/1/2027	196,023	-
15	5.15%	5/15/2024	3/1/2034	30,000,000	1,545,000
16	5.45%	5/15/2024	3/1/2054	30,000,000	1,635,000
17	5.25%	3/15/2025	3/1/2035	30,000,000	1,575,000
18	1.80%	8/19/2025	7/1/2044	11,677,229	210,190
19	5.70%	9/15/2025	9/1/2055	30,000,000	1,710,000
20	5.20%	5/15/2026	4/1/2036	100,000,000	5,200,000
21	5.50%	9/16/2026	10/1/2033	40,000,000	2,200,000
				$ 694,478,999	$ 30,329,500

EXHIBIT 2

CALIFORNIA-AMERICAN WATER COMPANY
Balance Sheets
(Dollars in thousands)

	December 31, 2025	December 31, 2024
Assets		
Property, plant and equipment	$ 2,228,144	$ 2,002,531
Accumulated depreciation	(497,092)	(471,155)
Property, plant and equipment, net	1,731,052	1,531,376
Current assets:		
Cash and cash equivalents	7,801	717
Restricted funds	487	—
Accounts receivable, net of allowance for uncollectible accounts of $3,608 and $3,043, respectively	25,010	27,355
Unbilled revenues	15,086	14,523
Receivables - affiliated company	191	249
Materials and supplies	1,843	1,760
Prepaid Expenses	7,436	3,944
Regulatory assets - current	1,993	1,773
Other	17,628	1,269
Total current assets	77,475	51,590
Regulatory and other long-term assets:		
Regulatory assets	141,310	145,292
Operating lease right-of-use assets	22,130	24,359
Goodwill	823	823
Pension and postretirement benefit assets	19,824	18,011
Other	1,564	2,304
Total regulatory and other long-term assets	185,651	190,789
Total assets	$ 1,994,178	$ 1,773,755

The accompanying notes are an integral part of these Financial Statements

CALIFORNIA-AMERICAN WATER COMPANY
Balance Sheets
(Dollars in thousands)

	December 31, 2025	December 31, 2024
Capitalization and Liabilities		
Capitalization:		
Common stockholder's equity	$ 776,777	$ 713,140
Long-term debt, excluding current portion	553,333	531,697
Total capitalization	1,330,110	1,244,837
Current liabilities:		
Notes payable - affiliated company	135,769	64,967
Current portion long-term debt	50,899	353
Accounts payable	8,443	7,193
Payables - affiliated company	16,595	10,525
Accrued liabilities	17,781	23,740
Accrued interest	5,612	4,474
Accrued water purchases	8,342	7,639
Refunds due to customer	1,896	7,790
Other	14,778	18,141
Total current liabilities	260,115	144,822
Regulatory and other long-term liabilities:		
Advances for construction	27,487	24,094
Deferred income taxes and investment tax credits	142,418	148,446
Regulatory liabilities	79,765	63,555
Operating lease liabilities	12,666	14,944
Other	6,416	7,815
Total regulatory and other long-term liabilities	268,752	258,854
Contributions in aid of construction	135,201	125,242
Commitments and contingencies (see Note 15)		
Total capitalization and liabilities	$ 1,994,178	$ 1,773,755

The accompanying notes are an integral part of these Financial Statements

EXHIBIT 3

CALIFORNIA-AMERICAN WATER COMPANY
Statements of Income
(Dollars in thousands)

	For the Years Ended December 31,	
	2025	**2024**
Operating revenues	$ 370,596	$ 346,184
Operating expenses:		
Operation and maintenance	196,887	172,468
Depreciation and amortization	47,404	44,241
General taxes	12,320	11,037
Gain on asset dispositions	(178)	—
Total operating expenses, net	256,433	227,746
Operating income	114,163	118,438
Other income (expenses):		
Interest, net	(26,554)	(22,972)
Allowance for other funds used during construction	13,804	11,643
Allowance for borrowed funds used during construction	5,255	4,422
Non-operating benefit costs, net	(489)	(403)
Other, net	(2,665)	(1,356)
Total other expenses	(10,649)	(8,666)
Income before income taxes	103,514	109,772
Provision for income taxes	24,509	27,246
Net income	$ 79,005	$ 82,526

The accompanying notes are an integral part of these Financial Statements

EXHIBIT 4

CALIFORNIA-AMERICAN WATER COMPANY
Statements of Cash Flows
(Dollars in thousands)

	For the Years Ended December 31,	
	2025	2024
Cash flows from operating activities:		
Net income	$ 79,005	$ 82,526
Adjustments to reconcile to net cash flows provided by operating activities:		
Depreciation and amortization	47,404	44,241
Amortization of debt expense	591	544
Deferred income taxes and amortization of investment tax credits	(13,625)	280
Provision for losses on accounts receivable	2,142	(1,622)
Allowance for other funds used during construction	(13,804)	(11,643)
Pension and non-pension postretirement benefit cost	555	244
WRAM/MCBA balance	1,819	14,533
Other, net	(12,747)	(3,634)
Changes in assets and liabilities:		
Accounts receivable and unbilled revenues	(44)	(3,252)
Receivable and payable - affiliated company, net	16,862	6,924
Pension and non-pension postretirement benefit contributions	(2,368)	(2,288)
Accounts payable and accrued liabilities	2,213	3,655
Accrued interest	1,138	740
Other assets and liabilities, net	(10,711)	14,822
Net cash provided by operating activities	98,430	146,070
Cash flows from investing activities:		
Capital expenditures	(205,805)	(159,158)
Acquisitions	(7,232)	—
Removal costs from property, plant and equipment retirements, net of salvage	(3,911)	(6,571)
Proceeds from the disposition of property, plant and equipment	178	—
Net cash used in investing activities	(216,770)	(165,729)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt, net of discount	59,721	60,000
Repayment of long-term debt	(353)	(25,353)
Net (repayments) borrowings of notes payable - affiliated company	70,802	1,141
Debt issuance costs	(587)	(599)
Advances and contributions, net of refunds of $1,498 and $1,190 in 2025 and 2024, respectively	12,351	6,530
Capital contributions by stockholder	30,000	24,800
Dividends paid	(45,368)	(46,628)
Net cash provided by financing activities	126,566	19,891
Net increase in cash, cash equivalents and restricted cash	8,226	232
Cash, cash equivalents and restricted funds at beginning of year	1,219	987
Cash, cash equivalents and restricted funds at end of year	$ 9,445	$ 1,219
Cash paid during the year for:		
Interest, net of capitalized amount	$ 20,526	$ 15,495
Non-cash investing activity		
Capital expenditures acquired on account but unpaid as of year end	$ 6,328	$ 13,647

The accompanying notes are an integral part of these Financial Statements

EXHIBIT 5

Exhibit 5

California American Water Company
Capitalization Ratios
$ in 000's

Component/Date	Recorded December 31 2025 Amount	Ratio	Estimated December 31 2026 Amount	Ratio	Estimated December 31 2027 Amount	Ratio	Estimated December 31 2028 Amount	Ratio	Estimated December 31 2029 Amount	Ratio	Estimated December 31 2030 Amount	Ratio
Equity	$ 776,777	56.25%	$ 900,488	56.47%	$ 1,078,590	57.03%	$ 1,284,162	57.04%	$ 1,403,719	57.04%	$ 1,501,951	57.04%
Long-Term Debt	604,232	43.75%	694,232	43.53%	812,547	42.97%	967,323	42.96%	1,057,091	42.96%	1,131,427	42.96%
TOTAL Equity & LT Debt	$ 1,381,009	100.00%	$ 1,594,720	100.00%	$ 1,891,137	100.00%	$ 2,251,485	100.00%	$ 2,460,810	100.00%	$ 2,633,377	100.00%
Change in Equity & LT Debt			$ 213,711		$ 296,417		$ 360,347		$ 209,325		$ 172,567	
Components of Change:												
Net borrowings of long term debt			$ 90,000		$ 118,315		$ 154,775		$ 89,768		$ 74,336	
Net Proceeds from additional paid in capital			$ 123,711		$ 178,102		$ 205,572		$ 119,557		$ 98,231	
Retained Earnings			$ 273,695		$ 314,898		$ 357,657		$ 409,365		$ 460,603	

EXHIBIT 6

AMERICAN WATER

Exhibit 6

California American Water
Annual Sources and Uses
($ in Thousands)

	2026	2027	2028	2029	2030	Total
Sources						
Cash from Operation	$ 91,712	$ 107,984	$ 91,042	$ 90,374	$ 120,205	$ 501,317
Capital Contribution from Parent	98,000	162,899	188,813	147,849	61,993	659,555
Issue LT Debt under Previous Authorization	140,000	71,508	-	-	-	211,508
Total Sources	329,712	342,391	279,855	238,223	182,198	1,372,380
Uses						
Construction Less Advances, and Acquisitions	279,712	389,198	434,630	327,991	256,534	1,688,067
Refinance LT Debt	50,000	196	35,000	-	150,000	235,196
Total Uses	329,712	389,394	469,630	327,991	406,534	1,923,263
Long Term Debt Authorization Needed (Includes Refinancings)	$ (0)	$ (47,003)	$ (189,775)	$ (89,768)	$ (224,336)	**$ (550,883)**

EXHIBIT 7

Exhibit 7

California American Water
Annual Cash Flow Projections
($ in Thousands)

	FY26 YTD	FY27 YTD	FY28 YTD	FY29 YTD	FY30 YTD
Beginning Cash	$ -	$ -	$ -	$ -	$ -
CASH FLOWS FROM OPERATING ACTIVITIES					
Net cash provided by operating activities	142,054	169,788	155,181	167,935	197,061
Less: Dividends	(50,342)	(61,804)	(64,139)	(77,562)	(76,857)
Net cash provided by operating activities adjusted for dividends	91,712	107,984	91,042	90,374	120,205
CASH FLOWS FROM INVESTING ACTIVITIES					
Construction Expenditures from budget	(289,825)	(370,629)	(414,189)	(305,682)	(232,362)
Less: Advances and contributions net of refunds	10,112	4,431	4,559	4,691	4,828
Acquisitions	-	(23,000)	(25,000)	(27,000)	(29,000)
Net cash used in investing activities	(279,712)	(389,198)	(434,630)	(327,991)	(256,534)
Free Cash Flow	(188,000)	(281,214)	(343,588)	(237,618)	(136,330)
CASH FLOWS FROM FINANCING ACTIVITIES					
Capital contributions	98,000	162,899	188,813	147,849	61,993
Long Term Debt Issued under Previous Authorization	140,000	71,508	-	-	-
Pay back LT Debt	(50,000)	(196)	(35,000)	-	(150,000)
Net cash provided by (used in) financing activities	188,000	234,211	153,813	147,849	(88,007)
Long Term Debt Authorization Needed (Includes Refinancings)	$ (0)	$ (47,003)	$ (189,775)	$ (89,768)	$ (224,336)

EXHIBIT 8

Exhibit 8

California American Water
Computation of Code 1904 Fee - 2026 Financing Application

Amount of Issue	Rate and Formula	Amount
Fee on First $1 Million	$2 per $1000; 0.2% x $1,000,000	$2,000
Fee on Next $9 Million	$1 per $1000; 0.1% x $9,000,000	$9,000
Fee on Remaining $455,686,911	$0.50 per $1000; 0.05% x $455,686,911	$227,843
Fee on Total of $465,686,911		**$238,843**

Note: $465,686,911 = $550,882,934 Total Need less $85,196,023.
The remaining debt authority excludes $12.222M of debt assumed through acquisitions, where fees were previously paid to the CPUC. In addition, the $85.196M includes a $10.0M note payable due 05/01/26, a $40.0M note payable due 06/15/26, a $0.196M note payable due 04/01/27, and a $35.0M note payable due 09/01/28. The fees on these notes payable have been paid previously; therefore the $85.196M must be deducted from the $550.883M Total Need.

EXHIBIT 9

Exhibit 9

California American Water
Capital Spending - Gross Expenditure
($ in Thousands)

	FY26 YTD	FY27 YTD	FY28 YTD	FY29 YTD	FY30 YTD
Recurring Projects	$ 37,202	$ 33,100	$ 34,000	$ 35,345	$ 36,310
Infrastructure Projects	149,896	113,585	123,977	134,762	131,198
Centrally Sponsored Projects	7,994	8,929	9,158	4,420	4,573
S/T Capital spend	195,092	155,614	167,135	174,527	172,081
Developer Projects (refunds)	3,703	3,811	3,920	4,033	4,150
Other	91,030	234,205	268,134	154,122	85,132
Gross Capital spend	$ 289,825	$ 393,629	$ 439,189	$ 332,682	$ 261,362