

## **APPENDIX B**

Liberty Apple Valley-Irrigation Summary of Earnings,  
Ratebase, Taxes, Quantities, Bill Comparison

**APPENDIX B**  
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**LIBERTY APPLE VALLEY - Irrigation**  
**SUMMARY OF EARNINGS - Test Year 2022-2023**  
**(Dollars in Thousands)**

	PRESENT RATES	ADOPTED RATES
OPERATING REVENUES	\$194.6	\$275.8
DEFERRED REVENUES	\$0.0	\$0.0
MISCELLANEOUS REVENUE	\$0.0	\$0.0
TOTAL REVENUES	\$194.6	\$275.8
% Change		41.7%
OPERATIONS & MAINTENANCE		
PAYROLL-OPERATIONS	\$28.0	\$28.0
OPERATIONS-OTHER	\$0.0	\$0.0
PURCHASED WATER	\$0.0	\$0.0
PURCHASED POWER	\$162.2	\$162.2
LEASED WATER RIGHTS	\$0.0	\$0.0
REPLENISHMENT	\$4.5	\$4.5
CUSTOMERS-OTHER	\$0.0	\$0.0
UNCOLLECTIBLES	\$0.0	\$0.0
PAYROLL-MAINTENANCE	\$0.0	\$0.0
MAINTENANCE-OTHER	\$0.7	\$0.7
CLEARINGS-OTHER	\$2.2	\$2.2
SUB-TOTAL O & M	\$197.6	\$197.6
ADMINISTRATIVE & GENERAL		
A & G PAYROLL	\$0.0	\$0.0
EMPLOYEE BENEFITS	\$28.4	\$28.4
INSURANCE	\$1.1	\$1.1
REG. COMM. EXPENSE	\$0.0	\$0.0
FRANCHISE REQUIREMENTS	\$0.0	\$0.0
OUTSIDE SERVICES	\$0.2	\$0.2
A & G - OTHER	\$0.0	\$0.0
A & G TRANSFERRED CREDIT	-\$14.5	-\$14.5
ALLOCATIONS	\$6.8	\$6.8
SUB-TOTAL A & G	\$22.0	\$22.0
OTHER TAXES		
PROPERTY TAXES	\$2.3	\$2.3
PAYROLL TAXES	\$5.2	\$5.2
SUB-TOTAL OTHER TAXES	\$7.6	\$7.6
DEPRECIATION	\$19.9	\$19.9
CA INCOME TAXES	-\$5.2	\$2.0
FEDERAL INCOME TAXES	-\$14.4	\$2.7
TOTAL EXPENSES	\$227.5	\$251.8
NET REVENUE	-\$32.9	\$24.0
TOTAL RATE BASE	\$327.2	\$327.2
RATE OF RETURN	-10.06%	7.35%

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**LIBERTY APPLE VALLEY - Irrigation**  
**RATEBASE**  
**(Dollars in Thousands)**

	2022-2023	2023-2024
PLANT IN SERVICE	\$677.0	\$834.1
WORK IN PROGRESS	\$0.0	\$0.0
MATERIALS & SUPPLIES	\$0.0	\$0.0
WORKING CASH	\$3.6	\$3.6
SUBTOTAL	\$680.6	\$837.7
LESS:		
DEPRECIATION RESERVE	\$267.2	\$156.4
ADVANCES	\$0.0	\$0.0
CONTRIBUTIONS	\$32.5	\$31.3
UNAMORTIZED ITC	\$0.0	\$0.0
UNAMORTIZED EXCESS DEFERRED INCOME TAX	\$34.7	\$33.3
DEFERRED INCOME TAX	\$27.7	\$28.6
SUBTOTAL	\$362.1	\$249.6
PLUS:		
METHOD 5 ADJUSTMENT	\$0	\$0
RESOURCES ADJUSTMENT		
NET DISTRICT RATE BASE	\$318.5	\$588.1
GENERAL OFFICE ALLOCATION	\$8.7	\$15.3
TOTAL RATE BASE	\$327.2	\$603.4

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**LIBERTY APPLE VALLEY - Irrigation**  
**INCOME TAX CALCULATION - Test Year 2022-2023**  
**(Dollars in Thousands)**

	<u>PRESENT RATES</u>	<u>ADOPTED RATES</u>
OPERATING REVENUES	\$194.6	\$275.8
EXPENSE		
OPERATIONS & MAINTENANCE	\$197.6	\$197.6
UNCOLLECTIBLES	\$0.0	\$0.0
ADMINISTRATIVE & GENERAL	\$22.0	\$22.0
FRANCHISE REQUIREMENTS	\$0.0	\$0.0
PROPERTY TAXES	\$2.3	\$2.3
PAYROLL TAXES	\$5.2	\$5.2
MEALS ADJUSTMENT	\$0.0	\$0.0
TOTAL	<u>\$227.2</u>	<u>\$227.2</u>
INCOME BEFORE TAXES	-\$32.6	\$48.6
CA CORP-FRANCHISE TAX (CCFT)		
CA TAX DEPRECIATION	\$19.9	\$19.9
INTEREST	\$6.6	\$6.6
TOTAL	<u>\$26.6</u>	<u>\$26.6</u>
TAXABLE INCOME FOR CCFT	-\$59.1	\$22.1
CCFT RATE	<u>8.84%</u>	<u>8.84%</u>
CALIFORNIA INCOME TAX	-\$5.2	\$2.0
FEDERAL INCOME TAX		
FED. TAX DEPRECIATION	\$19.9	\$19.9
CA TAX	\$2.5	\$2.5
INTEREST	\$6.6	\$6.6
QUALIFIED PROD. DEDUCTION	\$0.0	\$0.0
TOTAL	<u>\$29.0</u>	<u>\$29.0</u>
FIT TAXABLE INCOME	-\$61.6	\$19.6
FIT RATE	<u>21.00%</u>	<u>21.00%</u>
FEDERAL INCOME TAX	-\$12.9	\$4.1
EXCESS ADIT	\$1.4	\$1.4
NET FEDERAL INCOME TAX	-\$14.4	\$2.7

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**LIBERTY APPLE VALLEY - Irrigation**  
**ADOPTED QUANTITIES**

NET-TO-GROSS MULTIPLIER	1.42531
UNCOLLECTIBLE RATE	0.00%
FRANCHISE FEE	0.00%

(Units in Acre-Foot)		<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>
<b>WATER PRODUCTION</b>				
Potable Water Sales		1,096.1	1,096.1	1,096.1
Unaccounted Water	76.71%	<u>3,609.5</u>	<u>3,609.5</u>	<u>3,609.5</u>
Total Potable Production		4,705.6	4,705.6	4,705.6
Pumped Water		4,705.6	4,705.6	4,705.6
<b>REPLENISHMENT CHARGES</b>				
Admin. & Biological Assessment		4,705.6	4,705.6	4,705.6
Cost per AF		<u>\$0.96</u>	<u>\$0.96</u>	<u>\$0.96</u>
Total Replenishment Cost		\$4,517	\$4,517	\$4,517
<b>PURCHASED POWER</b>				
Total Production		4,705.6	4,705.6	4,705.6
Cost per AF		<u>\$34.48</u>	<u>\$34.48</u>	<u>\$34.48</u>
Total Cost		\$162,229	\$162,229	\$162,229

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**LIBERTY APPLE VALLEY - Irrigation**  
**CUSTOMERS & SALES**

		<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>
<b>NUMBER OF CUSTOMERS</b>				
	Irrigation - Gravity	1	1	1
<b>METER SALES (CCF )</b>				
	Avg Usage (CCF/Cust/Mo)			
	Residential	39,788	477,459	477,459

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**LIBERTY APPLE VALLEY - Irrigation**  
**MONTHLY RESIDENTIAL BILL COMPARISON**  
**Schedule No. PR-1-R - 5/8" Meter**

<u>Usage (CCF)</u>	<u>Present Rates</u>	<u>Adopted Rates</u>	<u>Amount Change</u>	<u>Percent Change</u>
39,788	\$16,219	\$22,967	\$6,748	41.6%

Excludes any applicable fees, surcharges, or surcredits

**(END OF APPENDIX B)**