

Docket : A.22-07-001
Exhibit Number : Cal Adv -
Commissioner : Genevieve Shiroma
Administrative Law Judge : Jacob Rambo
Public Advocates Office
Witness(es) : Prashanta Adhikari



PUBLIC ADVOCATES OFFICE
CALIFORNIA PUBLIC UTILITIES COMMISSION

RESULTS OF OPERATION SUMMARY

CALIFORNIA AMERICAN WATER COMPANY

General Rate Case Application 22-07-001

Test Year 2024

San Francisco, California

April 13, 2023

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MEMORANDUM

The Public Advocates Office at the California Public Utilities Commission (“Cal Advocates”) examined application material, data request responses, and other information presented by California American Water Company (“Cal Am”) in Application (“A.”) 22-07-001 to provide the California Public Utilities Commission (“Commission” or “CPUC”) with recommendations in the interests of ratepayers for safe and reliable service at the lowest cost. Mr. Cortney Sorensen is Cal Advocates’ project lead for this proceeding. This Report is prepared by Mr. Prashanta Adhikari. Mr. Mukunda Dawadi is the oversight supervisor. Ms. Angela Wuerth and Ms. Emily Fisher are the legal counsel.

Although every effort was made to comprehensively review, analyze, and provide the Commission with recommendations on each ratemaking and policy aspect presented in the Application, the absence from Cal Advocates’ testimony of any particular issue connotes neither agreement nor disagreement of the underlying request, methodology, or policy position related to that issue.

RESULTS OF OPERATIONS SUMMARY

1 The process for determining what rate changes are necessary in a general rate case
2 typically requires comparing two basic calculations. The first produces a Revenue
3 Requirement, an estimate of the budget that a utility needs to provide safe and reliable
4 service. The second calculation estimates the utility’s ability to achieve the Revenue
5 Requirement by forecasting the revenue likely to be collected at present rates.¹ The
6 difference (as a percentage) between these two calculations determines the overall change
7 in average system rates. When the Revenue Requirement exceeds the revenue estimated
8 at present rates, an increase in average system rates is needed. On the other hand, an
9 increase in customers, water consumption, or rates may produce an estimated revenue
10 that exceeds the calculated Revenue Requirement and, therefore, a decrease in average
11 system rates is necessary.

12 The following table compares the increase in revenue from present rates necessary
13 to achieve the Revenue Requirements estimated by Cal Advocates and Cal Am for each
14 of the three years addressed in this proceeding. The percentages shown reflect the
15 resulting change in average system rates.

16 **Table 1: Comparison between Cal Advocates Recommended and Cal Am Requested**
17 **Revenue Changes**

Year	Cal Advocates		Cal Am	
	Change in Revenue	Percentage Change	Change in Revenue	Percentage Change
2024	-\$23 million	-6.87%	\$55.8 million	18.71%
2025	\$15.5 million	5.01%	\$19.6 million	5.50%
2026	\$8.9 million	2.74%	\$19.9 million	5.30%

¹ Present rates are the rates customers are currently paying as authorized by the Commission.

1 The Commission should adopt a revenue decrease of 6.87% in TY 2024 and
2 increases of 5.01% in 2025, and 2.74% in 2026. Cal Am proposes revenue requirement
3 increases of 18.71% in Test Year (TY) 2024, 5.50% in 2025, and 5.30% in 2026 in its
4 Application.² Cal Am updated its Application on January 27, 2023. Through its update,
5 Cal Am requests an increase in revenues of 11.9% in 2024, 5.81% in 2025, and 5.41% in
6 2026.³ In Cal Am’s updated application, its WRAM proposal would add \$1 million to
7 average system rates. Additionally, Cal Am requests to collect \$10 million in customer
8 surcharges in this proceeding.⁴

9 The Commission should adopt a total revenue requirement of \$312.6 million in
10 TY 2024. This recommendation is \$41.3 million less than Cal Am’s requested revenue
11 requirement of \$353.9 million in the Application.⁵ Cal Advocates’ recommended total
12 revenue requirement is a decrease of \$23 million from present rates for TY 2024. Cal
13 Am’s requested revenue requirement is an increase of \$55.8 million from present rates
14 for TY 2024.

15

² CAW 2022 GRC Application, July 1, 2022, at 1.

³ RO Model, ALL_CH02_SE_RO, Sum of J36 in each division’s Revenue Requirement tab divided by sum of J38 in each division’s Revenue Requirement tab.

⁴ See testimony of Public Advocates Office witness, Richard Rauschmeier.

⁵ Cal Advocates recommended revenue requirement in TY 2024 is \$31.6 million lower than Cal Am’s requested revenue requirement of \$344.2 million in its updated application.

RESULTS OF OPERATIONS TABLES

In developing the following Results of Operations (“RO”) Tables, Cal Advocates utilized Cal Am’s Results of Operations Model. Cal Advocates’ adjustments reflect the recommendations presented in its testimonies.

Total (System-Wide)

CALIFORNIA AMERICAN WATER COMPANY A.22-07-001				
TABLE 1-1				
SUMMARY OF EARNINGS - TEST YEAR				
		Cal PA-	Cal Am-	Cal Am > Cal PA
Test Year 2024 (\$000)		Present	Present	
		Rates	Rates	
Total Revenue		335,647.4	307,648.2	(27,999.2) -8.3%
<u>Operation and Maintenance Expenses:</u>				
	Labor	28,270.2	32,544.9	4,274.6 15.1%
	Purchased Water	83,933.2	69,108.2	(14,825.1) -17.7%
	Purchased Power	12,869.8	9,127.1	(3,742.6) -29.1%
	Chemicals	1,525.9	1,893.2	367.4 24.1%
	Operation expense	5,291.1	9,019.0	3,727.9 70.5%
	Maintenance (excluding Amortization of Tank Painting)	5,913.1	6,217.2	304.0 5.1%
	Amortization of Tank Painting	1,983.1	1,979.4	(3.7) -0.2%
	Customer Accounting	2,071.6	2,703.5	632.0 30.5%
	Uncollectibles*	1,717.4	5,659.6	3,942.2 229.5%
<u>General and Administrative Expenses:</u>				
	Insurance	3,069.9	3,064.6	(5.3) -0.2%
	Pensions and Benefits	6,849.9	7,685.2	835.3 12.2%
	Regulatory Expense	716.2	748.9	32.7 4.6%
	Rents	2,132.9	2,338.2	205.3 9.6%
	Outside Services	2,580.7	2,737.2	156.4 6.1%
	Other Administrative & General	11,083.9	12,005.7	921.7 8.3%
	Subtotal	170,009.1	166,831.8	(3,177.3) -1.9%
	Service Company	2,246.8	15,295.3	13,048.6 580.8%
	Citizens Acquisition Premium	4,318.0	4,318.0	0.0 0.0%
	GO Return on Rate Base	3,969.3	7,126.4	3,157.1 79.5%
	Purchased Power + Water Deceptive Pricing Adjustment	(8,233.1)	0.0	8,233.1 -100.0%
	San Clemente Dam	6,245.4	6,245.4	0.0 0.0%
	Total O&M and G&A Expenses	178,555.6	199,817.0	21,261.4 11.9%
	Depreciation	42,656.1	44,093.6	1,437.5 3.4%
	General Taxes	12,912.9	13,383.7	470.8 3.6%
Total Operating Expenses		234,124.5	257,294.3	23,169.7 9.9%
Income before taxes		101,522.9	50,354.0	(51,169.0) -50.4%
	State Income Taxes	7,139.2	2,434.9	(4,704.3) -65.9%
	Federal Income Taxes	15,044.2	3,939.3	(11,104.9) -73.8%
Income After Tax		79,339.5	43,979.7	(35,359.8) -44.6%
	Weighted Average Rate Base	831,186.0	912,941.4	81,755.4 9.8%
Return on Rate Base at Present Rates		9.55%	4.82%	-4.73% -49.5%

		Cal PA-	Cal Am-	Cal Am > Cal PA	
Test Year 2024 (\$000)		Proposed	Proposed		
		Rates	Rates		
Total Revenue		312,601.6	344,155.2	31,553.6	10.1%
<u>Operation and Maintenance Expenses:</u>					
	Labor	28,270.2	32,544.9	4,274.6	15.1%
	Purchased Water	83,933.2	69,108.2	(14,825.1)	-17.7%
	Purchased Power	12,869.8	9,127.1	(3,742.6)	-29.1%
	Chemicals	1,525.9	1,893.2	367.4	24.1%
	Operation expense	5,291.1	9,019.0	3,727.9	70.5%
	Maintenance (excluding Amortization of Tank Painting)	5,913.1	6,217.2	304.0	5.1%
	Amortization of Tank Painting	1,983.1	1,979.4	(3.7)	-0.2%
	Customer Accounting	2,071.6	2,703.5	632.0	30.5%
	Uncollectibles*	1,599.6	5,849.6	4,250.0	265.7%
<u>General and Administrative Expenses:</u>					
	Insurance	3,069.9	3,064.6	(5.3)	-0.2%
	Pensions and Benefits	6,849.9	7,685.2	835.3	12.2%
	Regulatory Expense	716.2	748.9	32.7	4.6%
	Rents	2,132.9	2,338.2	205.3	9.6%
	Outside Services	2,580.7	2,737.2	156.4	6.1%
	Other Administrative & General	11,083.9	12,005.7	921.7	8.3%
	Subtotal	169,891.3	167,021.8	(2,869.5)	-1.7%
	Service Company	2,246.8	15,295.3	13,048.6	580.8%
	Citizens Acquisition Premium	4,318.0	4,318.0	0.0	0.0%
	GO Return on Rate Base	3,969.3	7,126.4	3,157.1	79.5%
	Purchased Power + Water Deceptive Pricing Adjustment	(8,233.1)	0.0	8,233.1	-100.0%
	San Clemente Dam	6,245.4	6,245.4	0.0	0.0%
	Total O&M and G&A Expenses	178,437.8	200,007.0	21,569.2	12.1%
	Depreciation	42,656.1	44,093.6	1,437.5	3.4%
	General Taxes	12,912.9	13,383.7	470.8	3.6%
Total Operating Expenses		234,006.7	257,484.3	23,477.5	10.0%
Income before taxes		78,594.9	86,670.9	8,076.0	10.3%
	State Income Taxes	5,112.4	5,645.3	533.0	10.4%
	Federal Income Taxes	10,229.4	11,565.9	1,336.5	13.1%
Income After Tax		63,253.2	69,459.8	6,206.6	9.8%
	Weighted Average Rate Base	831,186.0	912,941.4	81,755.4	9.8%
Return on Rate Base at Proposed Rates		7.61%	7.61%	0.00%	0.0%

CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 1-1x

SUMMARY OF EARNINGS - ESCALATION YEAR >>> NOT RECOMMENDED ATTRITION YR SOE

	Cal PA- Present Rates	Cal Am- Present Rates	Cal Am > Cal PA	
Escalation Year 2025 (\$000)				
Total Revenue	309,981.5	346,176.3	36,194.8	11.7%
<u>Operation and Maintenance Expenses:</u>				
Labor	28,997.1	33,563.3	4,566.2	15.7%
Purchased Water	87,136.8	69,243.2	(17,893.6)	-20.5%
Purchased Power	13,715.4	9,191.2	(4,524.2)	-33.0%
Chemicals	1,571.9	1,987.8	415.9	26.5%
Operation expense	5,431.3	9,182.6	3,751.3	69.1%
Maintenance (excluding Amortization of Tank Painting)	6,091.7	6,404.9	313.2	5.1%
Amortization of Tank Painting	2,161.5	2,148.5	(13.0)	-0.6%
Customer Accounting	2,134.1	2,785.2	651.0	30.5%
Uncollectibles*	1,586.2	5,982.6	4,396.4	277.2%
<u>General and Administrative Expenses:</u>				
Insurance	3,161.9	3,156.4	(5.5)	-0.2%
Pensions and Benefits	7,055.2	7,926.2	871.0	12.3%
Regulatory Expense	716.2	2,995.6	2,279.4	318.2%
Rents	2,166.8	2,373.2	206.4	9.5%
Outside Services	2,658.7	2,819.8	161.2	6.1%
Other Administrative & General	11,298.9	12,247.4	948.5	8.4%
Subtotal	175,883.9	172,008.1	(3,875.8)	-2.2%
Service Company	2,314.6	15,737.8	13,423.2	579.9%
Citizens Acquisition Premium	4,346.0	4,346.0	0.0	0.0%
GO Return on Rate Base	3,733.3	7,151.1	3,417.8	91.5%
Purchased Power + Water Deceptive Pricing Adjustment	(8,481.7)	(0.0)	8,481.7	-100.0%
San Clemente Dam	6,245.4	6,245.4	0.0	0.0%
Total O&M and G&A Expenses	184,041.5	205,488.4	21,446.9	11.7%
Depreciation	45,673.2	48,713.7	3,040.6	6.7%
General Taxes	13,615.8	14,636.2	1,020.4	7.5%
Total Operating Expenses	243,330.5	268,838.4	25,507.8	10.5%
Income before taxes	66,650.9	77,337.9	10,687.0	16.0%
State Income Taxes	3,975.3	4,570.3	594.9	15.0%
Federal Income Taxes	7,461.1	8,762.5	1,301.4	17.4%
Income After Tax	55,214.4	64,005.1	8,790.7	15.9%
Weighted Average Rate Base	867,882.6	1,025,681.7	157,799.1	18.2%
Return on Rate Base at Present Rates	6.36%	6.24%	-0.12%	-1.9%

Escalation Year 2025 (\$000)		Cal PA- Proposed Rates	Cal Am- Proposed Rates	Cal Am > Cal PA	
Total Revenue		325,499.0	366,288.9	40,789.9	12.5%
<u>Operation and Maintenance Expenses:</u>					
	Labor	28,997.1	33,563.3	4,566.2	15.7%
	Purchased Water	87,136.8	69,243.2	(17,893.6)	-20.5%
	Purchased Power	13,715.4	9,191.2	(4,524.2)	-33.0%
	Chemicals	1,571.9	1,987.8	415.9	26.5%
	Operation expense	5,431.3	9,182.6	3,751.3	69.1%
	Maintenance (excluding Amortization of Tank Painting)	6,091.7	6,404.9	313.2	5.1%
	Amortization of Tank Painting	2,161.5	2,148.5	(13.0)	-0.6%
	Customer Accounting	2,134.1	2,785.2	651.0	30.5%
	Uncollectibles*	1,665.5	6,087.4	4,421.9	265.5%
<u>General and Administrative Expenses:</u>					
	Insurance	3,161.9	3,156.4	(5.5)	-0.2%
	Pensions and Benefits	7,055.2	7,926.2	871.0	12.3%
	Regulatory Expense	716.2	2,995.6	2,279.4	318.2%
	Rents	2,166.8	2,373.2	206.4	9.5%
	Outside Services	2,658.7	2,819.8	161.2	6.1%
	Other Administrative & General	11,298.9	12,247.4	948.5	8.4%
	Subtotal	175,963.2	172,112.9	(3,850.3)	-2.2%
	Service Company	2,314.6	15,737.8	13,423.2	579.9%
	Citizens Acquisition Premium	4,346.0	4,346.0	0.0	0.0%
	GO Return on Rate Base	3,733.3	7,151.1	3,417.8	91.5%
	Purchased Power + Water Deceptive Pricing Adjustment	(8,481.7)	(0.0)	8,481.7	-100.0%
	San Clemente Dam	6,245.4	6,245.4	0.0	0.0%
	Total O&M and G&A Expenses	184,120.8	205,593.2	21,472.4	11.7%
	Depreciation	45,673.2	48,713.7	3,040.6	6.7%
	General Taxes	13,615.8	14,636.2	1,020.4	7.5%
Total Operating Expenses		243,409.8	268,943.2	25,533.3	10.5%
Income before taxes		82,089.1	97,345.7	15,256.6	18.6%
	State Income Taxes	5,340.1	6,339.0	998.9	18.7%
	Federal Income Taxes	10,703.2	12,964.2	2,261.0	21.1%
Income After Tax		66,045.9	78,042.5	11,996.6	18.2%
	Weighted Average Rate Base	867,882.6	1,025,681.7	157,799.1	18.2%
Return on Rate Base at Proposed Rates		7.61%	7.61%	0.00%	0.0%

CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 1-2

SUMMARY OF EARNINGS - ESCALATION YEARS

For Illustrative Purposes (\$000)	Cal PA 2025	Cal PA 2026	2025 to 2026 Increase	
Total Revenue	325,499.0	334,414.7	8,915.7	2.7%
<u>Operation and Maintenance Expenses:</u>				
Labor	28,997.1	29,872.8	875.7	3.0%
Purchased Water	87,136.8	87,136.8	0.0	0.0%
Purchased Power	13,715.4	13,715.4	0.0	0.0%
Chemicals	1,571.9	1,619.4	47.5	3.0%
Operation expense	5,431.3	5,563.2	131.9	2.4%
Maintenance (excluding Amortization of Tank Painting)	6,091.7	6,245.2	153.5	2.5%
Amortization of Tank Painting	2,161.5	2,226.8	65.3	3.0%
Customer Accounting	2,134.1	2,198.6	64.5	3.0%
Uncollectibles	1,665.5	1,631.8	(33.7)	-2.0%
<u>General and Administrative Expenses:</u>				
Insurance	3,161.9	3,255.8	93.9	3.0%
Pensions and Benefits	7,055.2	7,268.3	213.1	3.0%
Regulatory Expense	716.2	716.2	0.0	0.0%
Rents	2,166.8	2,176.4	9.6	0.4%
Outside Services	2,658.7	2,738.4	79.7	3.0%
Other Administrative & General	11,298.9	11,598.1	299.2	2.6%
Subtotal	175,963.2	177,963.3	2,000.1	1.1%
Service Company	2,314.6	2,384.5	69.9	3.0%
Citizens Acquisition Premium	4,346.0	4,375.0	29.0	0.7%
GO Return on Rate Base	3,733.3	3,497.3	(236.0)	-6.3%
Purchased Power + Water Deceptive Pricing Adjustment	(8,481.7)	(8,737.8)	(256.1)	3.0%
San Clemente Dam	6,245.4	6,245.4	0.0	0.0%
Total O&M and G&A Expenses	184,120.8	185,727.7	1,606.8	0.9%
Depreciation	45,673.2	48,690.3	3,017.1	6.6%
General Taxes	13,615.8	14,274.9	659.1	4.8%
Total Operating Expenses	243,409.8	248,692.9	5,283.0	2.2%
Income before taxes	82,089.1	85,721.8	3,632.7	4.4%
Total Income Taxes	16,043.2	16,883.4	840.1	5.2%
Income After Tax	66,045.9	68,838.5	2,792.6	4.2%
Weighted Average Rate Base	867,882.6	904,579.3	36,696.7	4.2%
Return on Rate Base	7.61%	7.61%	(0.0)	0.0%

CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 2-1

AVERAGE WATER SALES PER CUSTOMER (OR PER CONNECTION)

Test Year 2024 (CCF/connection/year)*	Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Water Sales:				
Residential	2,621.3	2,621.3	0.0	0.0%
Multiresidential	664.2	664.2	0.0	0.0%
Multiresidential (Mstr Mtr)	0.0	0.0	0.0	0.0%
Commercial	9,173.3	9,173.3	0.0	0.0%
Industrial	176,305.9	176,305.9	0.0	0.0%
Public Authority	16,067.0	16,067.0	0.0	0.0%
Sales for Resale	1,820.2	1,820.2	0.0	0.0%
Other	3,231.3	3,231.3	0.0	0.0%
Golf Courses	0.0	0.0	0.0	0.0%
Construction	658.6	658.6	0.0	0.0%
Irrigation Gravity	28,456.7	28,456.7	0.0	0.0%
Irrigation Pressure	0.0	0.0	0.0	0.0%
Private Fire	0.0	0.0	0.0	0.0%
Private Fire Mandated	0.0	0.0	0.0	0.0%
Public Fire	0.0	0.0	0.0	0.0%
Hotel	0.0	0.0	0.0	0.0%
Residential Flat	0.0	0.0	0.0	0.0%
Commercial (Flat)	0.0	0.0	0.0	0.0%
Unmetered	0.0	0.0	0.0	0.0%
Reserved	0.0	0.0	0.0	0.0%
Reserved	0.0	0.0	0.0	0.0%

Escalation Year 2025 (CCF/connection/year)*		Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Water Sales:					
	Residential	2,621.3	2,621.3	0.0	0.0%
	Multiresidential	664.2	664.2	0.0	0.0%
	Multiresidential (Mstr Mtr)	0.0	0.0	0.0	0.0%
	Commercial	9,173.3	9,173.3	0.0	0.0%
	Industrial	176,305.9	176,305.9	0.0	0.0%
	Public Authority	16,067.0	16,067.0	0.0	0.0%
	Sales for Resale	1,820.2	1,820.2	0.0	0.0%
	Other	3,231.3	3,231.3	0.0	0.0%
	Golf Courses	0.0	0.0	0.0	0.0%
	Construction	658.6	658.6	0.0	0.0%
	Irrigation Gravity	28,456.7	28,456.7	0.0	0.0%
	Irrigation Pressure	0.0	0.0	0.0	0.0%
	Private Fire	0.0	0.0	0.0	0.0%
	Private Fire Mandated	0.0	0.0	0.0	0.0%
	Public Fire	0.0	0.0	0.0	0.0%
	Hotel	0.0	0.0	0.0	0.0%
	Residential Flat	0.0	0.0	0.0	0.0%
	Commercial (Flat)	0.0	0.0	0.0	0.0%
	Unmetered	0.0	0.0	0.0	0.0%
	Reserved	0.0	0.0	0.0	0.0%
	Reserved	0.0	0.0	0.0	0.0%

CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 2-2

AVERAGE NUMBER OF CUSTOMERS (SERVICE CONNECTIONS)

Test Year 2024	Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Customers (Service Connections):				
Residential	168,521	170,270	1,749	1%
Multiresidential	1,729	1,729	0	0%
Multiresidential (Mstr Mtr)	0	0	0	0%
Commercial	15,709	16,093	384	2%
Industrial	264	268	4	2%
Public Authority	1,635	1,650	15	1%
Sales for Resale	2	2	0	0%
Other	57	60	3	5%
Golf Courses	0	0	0	0%
Construction	28	28	0	0%
Irrigation Gravity	2	2	0	0%
Irrigation Pressure	0	0	0	0%
Private Fire	0	0	0	0%
Private Fire Mandated	0	0	0	0%
Private Fire Protection Service	3,404	3,657	253	7%
Hotel	0	0	0	0%
Residential Flat	1,295	1,295	0	0%
Commercial (Flat)	0	0	0	0%
Unmetered	0	0	0	0%
Reserved	0	0	0	0%
Reserved	0	0	0	0%
Total	192,646	195,054	2,408	1%

Escalation Year 2025		Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Customers (Service Connections):					
	Residential	170,966	173,413	2,447	1%
	Multiresidential	1,729	1,729	0	0%
	Multiresidential (Mstr Mtr)	0	0	0	0%
	Commercial	15,739	16,276	537	3%
	Industrial	266	271	5	2%
	Public Authority	1,631	1,650	19	1%
	Sales for Resale	2	2	0	0%
	Other	62	65	3	5%
	Golf Courses	0	0	0	0%
	Construction	28	28	0	0%
	Irrigation Gravity	2	2	0	0%
	Irrigation Pressure	0	0	0	0%
	Private Fire	0	0	0	0%
	Private Fire Mandated	0	0	0	0%
	Private Fire Protection Service	3,417	3,770	353	10%
	Hotel	0	0	0	0%
	Residential Flat	0	0	0	0%
	Commercial (Flat)	0	0	0	0%
	Unmetered	0	0	0	0%
	Reserved	0	0	0	0%
	Reserved	0	0	0	0%
	Total	193,842	197,206	3,011	13%

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**TABLE 2-3
TOTAL SALES AND SUPPLY**

Test Year 2024 (KCCF)	Cal PA	Cal Am	Cal Am > Cal PA	
Metered Customers				
Residential	23,288,297	20,127,762	(3,160,535)	-14%
Multiresidential	489,445	459,895	(29,550)	-6%
Multiresidential (Mstr Mtr)	0	0	0	0%
Commercial	10,618,024	9,578,021	(1,040,003)	-10%
Industrial	870,190	749,632	(120,558)	-14%
Public Authority	2,637,924	2,260,601	(377,323)	-14%
Sales for Resale	3,640	3,640	0	0%
Other	28,893	15,527	(13,366)	-46%
Golf Courses	0	0	0	0%
Construction	7,827	7,154	(673)	-9%
Irrigation Gravity	0	0	0	0%
Irrigation Pressure	0	0	0	0%
Private Fire	0	0	0	0%
Private Fire Mandated	0	0	0	0%
Private Fire Protection Service	0	0	0	0%
Hotel	0	0	0	0%
Residential Flat	0	0	0	0%
Commercial (Flat)	0	0	0	0%
Unmetered	0	0	0	0%
Reserved	0	0	0	0%
Reserved	0	0	0	0%
Total Sales	37,944,240	33,202,232	(4,742,008)	-12%

Escalation Year 2025 (KCCF)		Cal PA	Cal Am	Cal Am > Cal PA	
Metered Customers (Service Connections):					
	Residential	23,703,632	20,438,562	(3,265,070)	-14%
	Multiresidential	489,445	459,895	(29,550)	-6%
	Multiresidential (Mstr Mtr)	0	0	0	0%
	Commercial	10,756,955	9,600,132	(1,156,823)	-11%
	Industrial	877,700	755,626	(122,074)	-14%
	Public Authority	2,640,250	2,253,733	(386,517)	-15%
	Sales for Resale	3,640	3,640	0	0%
	Other	30,913	16,465	(14,448)	-47%
	Golf Courses	0	0	0	0%
	Construction	7,827	7,154	(673)	-9%
	Irrigation Gravity	0	0	0	0%
	Irrigation Pressure	0	0	0	0%
	Private Fire	0	0	0	0%
	Private Fire Mandated	0	0	0	0%
	Private Fire Protection Service	0	0	0	0%
	Hotel	0	0	0	0%
	Residential Flat	0	0	0	0%
	Commercial (Flat)	0	0	0	0%
	Unmetered	0	0	0	0%
	Reserved	0	0	0	0%
	Reserved	0	0	0	0%
Total Sales		38,510,362	33,535,207	(4,975,155)	-13%

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TABLE 2-4

OPERATING REVENUES AT PRESENT RATES

Test Year 2024 (\$)		Cal PA	Cal Am	Cal Am > Cal PA	
<u>METERED SALES REVENUE</u>					
	Residential	195,231,145	177,437,415	(17,793,730.0)	-9.1%
	Multiresidential	8,942,163.0	8,525,634.0	(416,529.0)	-4.7%
	Multiresidential (Mstr Mtr)	0.0	0.0	0.0	0.0%
	Commercial	90,064,354.0	84,699,536.0	(5,364,818.0)	-6.0%
	Industrial	5,785,452.0	5,100,737.0	(684,715.0)	-11.8%
	Public Authority	21,753,173.0	19,621,320.0	(2,131,853.0)	-9.8%
	Sales for Resale	70,931.0	69,872.0	(1,059.0)	-1.5%
	Other	309,314.0	208,643.0	(100,671.0)	-32.5%
	Golf Courses	0.0	0.0	0.0	0.0%
	Construction	477,675.0	369,033.0	(108,642.0)	-22.7%
	Irrigation Gravity	119,028.0	127,335.0	8,307.0	7.0%
	Irrigation Pressure	0.0	0.0	0.0	0.0%
	Residential Fire Protection Service	3,200,968.0	2,595,903.0	(605,065.0)	-18.9%
	Private Fire Mandated	0.0	0.0	0.0	0.0%
	Private Fire Protection Service	3,190,985.0	3,029,811.0	(161,174.0)	-5.1%
	Hotel	0.0	0.0	0.0	0.0%
	Reserved	0.0	0.0	0.0	0.0%
	Total Metered Revenues	329,145,188	301,785,239	(27,359,949)	-8.3%
<u>NON-METERED REVENUE</u>					
	Residential Flat	949,973.0	1,016,472.0	66,499.0	7.0%
	Commercial (Flat)	0.0	0.0	0.0	0.0%
	Unmetered	0.0	0.0	0.0	0.0%
	Reserved	0.0	0.0	0.0	0.0%
	Total Non-Metered Revenue	949,973.0	1,016,472.0	66,499.0	7.0%
<u>OTHER REVENUE</u>					
	Method 5 Revenues	0.0	0.0	0.0	0.0%
	Contract Revenues	0.0	0.0	0.0	0.0%
	Antenna Leases	0.0	0.0	0.0	0.0%
	Additional NTPS Rev	0.0	0.0	0.0	0.0%
	Misc Service Revenues	38,466.6	18,313.0	(20,153.6)	-52.4%
	Late Payment Penalty	0.0	0.0	0.0	0.0%
	Rents	0.0	0.0	0.0	0.0%
	Leak Adjustments	0.0	0.0	0.0	0.0%
	DSIC	0.0	0.0	0.0	0.0%
	Other	309,314.0	208,643.0	(100,671.0)	-32.5%
	Subtotal Other Revenue	347,781	226,956	(120,825)	-34.7%
TOTAL OPERATING REVENUES		330,442,942	303,028,667	(27,414,275)	-8.3%
Total Revenues at Present Rates, TY 2024		330,442,942	303,028,667	(27,414,275)	-8.3%

Escalation Year 2025 (\$)		Cal PA	Cal Am	Cal Am > Cal PA	
<u>METERED SALES REVENUE</u>					
	Residential	179,220,075.0	189,353,941.0	10,133,866	5.7%
	Multiresidential	8,568,268.0	9,495,070.0	926,802	10.8%
	Multiresidential (Mstr Mtr)	0.0	0.0	0	0.0%
	Commercial	82,162,082.0	103,032,469.0	20,870,387	25.4%
	Industrial	5,260,861.0	5,681,556.0	420,695	8.0%
	Public Authority	19,580,377.0	23,886,888.0	4,306,511	22.0%
	Sales for Resale	45,401.0	54,559.0	9,158	20.2%
	Other	327,327.0	335,072.0	7,745	2.4%
	Golf Courses	0.0	0.0	0	0.0%
	Construction	312,867.0	373,242.0	60,375	19.3%
	Irrigation Gravity	115,894.0	151,277.0	35,383	30.5%
	Irrigation Pressure	0.0	0.0	0	0.0%
	Residential Fire Protection Service	4,647,879.0	4,257,910.0	(389,969)	-8.4%
	Private Fire Mandated	0.0	0.0	0	0.0%
	Private Fire Protection Service	3,267,897.0	3,058,083.0	(209,814)	-6.4%
	Hotel	0.0	0.0	0	0.0%
	Reserved	0.0	0.0	0	0.0%
	Total Metered Revenues	303,508,928	339,680,067	36,171,139	11.9%
<u>NON-METERED REVENUE</u>					
	Residential Flat	1,006,971.0	1,100,839.0	93,868	9.3%
	Commercial (Flat)	0.0	0.0	0	0.0%
	Unmetered	0.0	0.0	0	0.0%
	Res. Reserved	0.0	0.0	0	0.0%
	Total Non-Metered Revenue	1,006,971.0	1,100,839.0	93,868	9.3%
<u>OTHER REVENUE</u>					
	Method 5 Revenues	0.0	0.0	0	0.0%
	Contract Revenues	0.0	0.0	0	0.0%
	Antenna Leases	0.0	0.0	0	0.0%
	Additional NTPS Rev	0.0	0.0	0	0.0%
	Misc Service Revenues	38,466.6	18,313.0	(20,154)	-52.4%
	Late Payment Penalty	0.0	0.0	0	0.0%
	Rents	0.0	0.0	0	0.0%
	Leak Adjustments	0.0	0.0	0	0.0%
	DSIC	0.0	0.0	0	0.0%
	Other	327,327.0	335,072.0	7,745	2.4%
	Total Other Revenues	365,794	353,385	(12,409)	-3.4%
TOTAL OPERATING REVENUES		304,881,693	341,134,291	36,252,598	11.9%
Total Rev at Present Rates, EY 2025		304,881,693	341,134,291	36,252,598	11.9%

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TABLE 3-1

OPERATIONS & MAINTENANCE EXPENSES - TEST YEAR

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
<u>Expenses(Operation, Maintenance, and A&G):</u>				
Labor	28,270.2	32,544.9	4,274.6	15.1%
Purchased Water	83,933.2	69,108.2	(14,825.1)	-17.7%
Purchased Power	12,869.8	9,127.1	(3,742.6)	-29.1%
Chemicals	1,525.9	1,893.2	367.4	24.1%
Operation Expense	5,291.1	9,019.0	3,727.9	70.5%
Maintenance Expense (excluding Amort Tank Painting)	5,913.1	6,217.2	304.0	5.1%
Amortization of Tank Painting	1,983.1	1,979.4	(3.7)	-0.2%
Customer Accounting	2,071.6	2,703.5	632.0	30.5%
Insurance (Property and Injuries & Damages)	3,069.9	3,064.6	(5.3)	-0.2%
Pensions and Benefits	6,849.9	7,685.2	835.3	12.2%
Regulatory Expense	716.2	748.9	32.7	4.6%
Rents	2,132.9	2,338.2	205.3	9.6%
Other Administrative and General	11,083.9	12,005.7	921.7	8.3%
Subtotal	165,711.0	158,435.1	(7,275.9)	-4.4%
Service Company	2,246.8	15,295.3	13,048.6	580.8%
Citizens Acquisition Premium	4,318.0	4,318.0	0.0	0.0%
GO Return on Rate Base	3,969.3	7,126.4	3,157.1	79.5%
Purchased Power + Water Deceptive Pricing Adjustment	(8,233.1)	-	8,233.1	-100.0%
Return on T&D Net Plant Consolidation	-	-	0.0	0.0%
San Clemente Dam	6,245.4	6,245.4	0.0	0.0%
Total Expenses excluding Uncollectibles	174,257.4	191,420.2	17,162.8	9.8%
<u>At Present Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	335,647.4	307,648.2	(27,999.2)	-8.3%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	1,717.5	1,601.8	(115.7)	-6.7%
Leak Adjustment - Uncollectibles	0.0	4,225.7	4,225.7	0.0%
Total Uncollectibles Expense	1,717.5	5,827.5	4,109.9	239.3%
Total Expenses including Uncollectibles (at Present Rate)	175,974.9	197,247.7	21,272.8	12.1%
<u>At Proposed Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	312,601.6	344,155.2	31,553.6	10.1%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	1,599.6	1,791.9	192.3	12.0%
Leak Adjustment - Uncollectibles	0.0	4,225.7	4,225.7	0.0%
Total Uncollectibles Expense	1,599.6	6,017.5	4,417.9	276.2%
Total Expenses including Uncollectibles (at Proposed Rate)	175,857.0	197,437.8	21,580.8	12.3%

CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 3-2

OPERATIONS & MAINTENANCE EXPENSES - ESCALATION YEAR

Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Expenses (Operation, Maintenance, and A&G):				
Labor	28,997.1	33,563.3	4,566.2	15.7%
Purchased Water	87,136.8	69,243.2	(17,893.6)	-20.5%
Purchased Power	13,715.4	9,191.2	(4,524.2)	-33.0%
Chemicals	1,571.9	1,987.8	415.9	26.5%
Operation Expense	5,431.3	9,182.6	3,751.3	69.1%
Maintenance Expense (excluding Amort Tank Painting)	6,091.7	6,404.9	313.2	5.1%
Amortization of Tank Painting	2,161.5	2,148.5	(13.0)	-0.6%
Customer Accounting	2,134.1	2,785.2	651.0	30.5%
Insurance (Property and Injuries & Damages)	3,161.9	3,156.4	(5.5)	-0.2%
Pensions and Benefits	7,055.2	7,926.2	871.0	12.3%
Regulatory Expense	716.2	2,995.6	2,279.4	318.2%
Rents	2,166.8	2,373.2	206.4	9.5%
Other Administrative and General	13,957.6	15,067.2	1,109.7	8.0%
Subtotal	174,297.7	166,025.5	(8,272.2)	-4.7%
Service Company	2,314.6	15,737.8	13,423.2	579.9%
Citizens Acquisition Premium	4,346.0	4,346.0	0.0	0.0%
GO Return on Rate Base	3,733.3	7,151.1	3,417.8	91.5%
Purchased Power + Water Deceptive Pricing Adjustment	(8,481.7)	0.0		
Return on T&D Net Plant Consolidation	0.0	(0.0)		
San Clemente Dam	6,245.4	6,245.4		
Total O&M excluding Uncollectibles	182,455.3	199,505.8	17,050.5	9.3%
At Present Rates				
Total Revenues (including deferred Revenue on CIAC)	309,981.5	346,176.3	36,194.8	11.7%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	1,586.2	1,802.4	216.2	13.6%
Leak Adjustment - Uncollectibles	0.0	4,353.3	4,353.3	0.0%
Total Uncollectibles Expense	1,586.2	6,155.7	4,569.5	288.1%
Total O&M Expenses including Uncollectibles (at Present Rate)	184,041.5	205,661.5	21,620.0	11.7%
At Proposed Rates				
Total Revenues (including deferred Revenue on CIAC)	325,499.0	366,288.9	40,789.9	12.5%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	1,665.6	1,907.1	241.5	14.5%
Leak Adjustment - Uncollectibles	0.0	4,353.3	4,353.3	0.0%
Total Uncollectibles Expense	1,665.6	6,260.4	4,594.8	275.9%
Total O&M Expenses including Uncollectibles (at Proposed Rate)	184,120.9	205,766.2	21,645.3	11.8%

CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 4-1
TOTAL EXPENSES EXCLUDING PAYROLL
(For Information Only)

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operation Expenses (Excluding Payroll):				
702 SS Operation Labor and Expenses	0.0	0.0	0.0	0.0%
703 SS Miscellaneous Expenses	613.0	681.1	68.1	11.1%
704 SS Purchased Water	83,933.2	69,108.2	(14,825.1)	-17.7%
722 PP Power production Labor and Exp	0.0	0.0	0.0	0.0%
724 PP Pumping Labor and Expenses	0.0	0.0	0.0	0.0%
725 PP Miscellaneous Expenses	664.3	701.5	37.3	5.6%
726 PP Fuel or Power Purchased for Pumping	12,869.8	9,127.1	(3,742.6)	-29.1%
742 WT Operation Labor and Expenses	79.5	89.7	10.2	12.8%
743 WT Miscellaneous Expenses	2,241.0	2,577.6	336.6	15.0%
744 WT Chemicals and Filtering Materials	1,525.9	1,893.2	367.4	24.1%
752 TD Storage Facilities Expenses	2.6	1,321.6	1,319.0	49855.3%
753 TD Transmission and Distribution	5.6	6.0	0.4	6.3%
754 TD Meter Expenses	5.8	6.2	0.4	6.4%
755 TD Customer Installations Expense	0.0	0.0	0.0	0.0%
756 TD Miscellaneous Expenses	1,679.3	3,635.3	1,956.0	116.5%
772 CA Meter Reading Expenses	0.7	0.7	0.0	1.9%
773 CA Customer Records and Collection	625.5	659.9	34.4	5.5%
774 CA Miscellaneous Customer Account	1,445.4	2,042.9	597.5	41.3%
775 CA Uncollectible Accounts	1,717.5	5,659.5	3,942.0	229.5%
999 Divisional Allocation	0.0	0.0	0.0	0.0%
Total Operation Expenses (Excluding Payroll)	107,409.0	97,510.5	(9,898.5)	-9.2%
Maintenance Expense				
707 SS Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
708 SS Maint of Collecting and Imp Resrv	0.0	0.0	0.0	0.0%
709 SS Maintenance of Lake, River and Intakes	0.1	0.1	0.0	6.4%
710 SS Maintenance of Springs and Tunnels	0.0	0.0	0.0	0.0%
711 SS Maintenance of Wells	0.0	0.0	0.0	0.0%
712 SS Maintenance of Supply Mains	0.0	0.0	0.0	0.0%
713 SS Maintenance of Other Source of Supply	612.1	647.3	35.2	5.8%
730 PP Maintenance of Structures and Impr	1.4	1.4	0.1	6.4%
731 PP Maintenance of Power Production	0.8	0.8	0.0	4.5%
733 PP Maintenance of Other Pumping	216.8	229.3	12.4	5.7%
747 WT Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
748 WT Maintenance of Wter Treatment	776.2	813.7	37.5	4.8%
759 TD Maintenance of Structures and Impr	0.0	0.0	0.0	6.4%
760 TD Maintenance of Reservoirs and Tanks	(0.9)	(0.9)	(0.1)	6.4%
761 TD Maintenance of Transmission and Distr	100.0	113.2	13.2	13.2%
762 TD Maintenance of Fire Mains	0.0	0.0	0.0	0.0%
763 TD Maintenance of Services	73.1	78.0	4.9	6.7%
764 TD Maintenance of Meters	13.4	14.2	0.8	6.3%
765 TD Maintenance of Hydrants	3.6	3.8	0.2	5.9%
766 TD Maintenance of Miscellaneous Plant	6,099.6	6,295.5	195.9	3.2%
Total Maintenance Expense	7,896.3	8,196.6	300.3	3.8%
Administrative & General Expenses:				
791 AG Admin and General Salaries	0.0	0.0	0.0	0.0%
792 AG Office Supplies and Other Exp	598.9	620.1	21.2	3.5%
793 AG Property Insurance	879.8	879.8	0.0	0.0%
794 AG Injuries and Damages	2,190.1	2,184.8	(5.3)	-0.2%
795 AG Employees' Pensions and Benefits	6,849.9	7,685.2	835.3	12.2%
797 AG Regulatory Commission Expenses	716.2	748.9	32.7	4.6%
798 AG Outside Services Employed	2,580.7	2,737.2	156.4	6.1%
799 AG Miscellaneous General Expenses	9,856.0	10,717.1	861.1	8.7%
805 AG Maintenance of General Plant	629.1	668.4	39.4	6.3%
811 AG Rents	2,132.9	2,338.2	205.3	9.6%
Total Administrative and General Expenses	26,433.7	28,579.7	2,146.0	8.1%

Escalation Year 2025 (\$000)		Cal PA	Cal Am	Cal Am > Cal PA	
<u>Operation Expenses (Excluding Payroll):</u>					
702	SS Operation Labor and Expenses	0.0	0.0	0.0	0.0%
703	SS Miscellaneous Expenses	631.4	701.6	70.1	11.1%
704	SS Purchased Water	87,136.8	69,243.2	(17,893.6)	-20.5%
722	PP Power production Labor and Exp	0.0	0.0	0.0	0.0%
724	PP Pumping Labor and Expenses	0.0	0.0	0.0	0.0%
725	PP Miscellaneous Expenses	684.3	722.7	38.4	5.6%
726	PP Fuel or Power Purchased for Pumping	13,715.4	9,191.2	(4,524.2)	-33.0%
742	WT Operation Labor and Expenses	81.9	92.4	10.5	12.8%
743	WT Miscellaneous Expenses	2,308.7	2,655.5	346.8	15.0%
744	WT Chemicals and Filtering Materials	1,571.9	1,987.8	415.9	26.5%
752	TD Storage Facilities Expenses	2.7	1,321.8	1,319.0	48396.9%
753	TD Transmission and Distribution	5.8	6.2	0.4	6.3%
754	TD Meter Expenses	6.0	6.3	0.4	6.4%
755	TD Customer Installations Expense	0.0	0.0	0.0	0.0%
756	TD Miscellaneous Expenses	1,710.5	3,676.2	1,965.7	114.9%
772	CA Meter Reading Expenses	0.7	0.7	0.0	1.9%
773	CA Customer Records and Collection	644.4	679.9	35.5	5.5%
774	CA Miscellaneous Customer Account	1,489.1	2,104.6	615.6	41.3%
775	CA Uncollectible Accounts	1,586.2	5,982.6	4,396.4	277.2%
999	Divisional Allocation	0.0	0.0	0.0	0.0%
Total Operation Expenses (Excluding Payroll)		111,575.7	98,372.7	(13,203.1)	-11.8%
<u>Maintenance Expense</u>					
707	SS Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
708	SS Maint of Collecting and Imp Resrv	0.0	0.0	0.0	0.0%
709	SS Maintenance of Lake, River and Intakes	0.1	0.1	0.0	6.4%
710	SS Maintenance of Springs and Tunnels	0.0	0.0	0.0	0.0%
711	SS Maintenance of Wells	0.0	0.0	0.0	0.0%
712	SS Maintenance of Supply Mains	0.0	0.0	0.0	0.0%
713	SS Maintenance of Other Source of Supply	630.6	666.9	36.3	5.8%
730	PP Maintenance of Structures and Impr	1.4	1.5	0.1	6.4%
731	PP Maintenance of Power Production	0.8	0.9	0.0	4.5%
733	PP Maintenance of Other Pumping	223.4	236.2	12.8	5.7%
747	WT Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
748	WT Maintenance of Wter Treatment	799.7	838.3	38.6	4.8%
759	TD Maintenance of Structures and Impr	0.0	0.0	0.0	6.4%
760	TD Maintenance of Reservoirs and Tanks	(0.9)	(1.0)	(0.1)	6.4%
761	TD Maintenance of Transmission and Distr	103.0	116.6	13.6	13.2%
762	TD Maintenance of Fire Mains	0.0	0.0	0.0	0.0%
763	TD Maintenance of Services	75.3	80.4	5.1	6.7%
764	TD Maintenance of Meters	13.8	14.7	0.9	6.3%
765	TD Maintenance of Hydrants	3.7	4.0	0.2	5.9%
766	TD Maintenance of Miscellaneous Plant	6,402.3	6,594.9	192.7	3.0%
Total Maintenance Expense		8,253.2	8,553.4	300.2	3.6%
<u>Administrative & General Expenses:</u>					
791	Salaries	0.0	0.0	0.0	0.0%
792	Office Supplies	610.5	632.4	21.9	3.6%
793	Property Insurance	906.1	906.1	0.0	0.0%
794	Injuries and Damages	2,255.8	2,250.3	(5.5)	-0.2%
795	Pensions, Benefits & PBOP	7,055.2	7,926.2	871.0	12.3%
797	Regulatory Commission	716.2	2,995.6	2,279.4	318.2%
798	Outside Services	2,658.7	2,819.8	161.2	6.1%
799	General Corporate	10,040.3	10,926.4	886.1	8.8%
805	Dues & Membership	648.1	688.6	40.6	6.3%
811	Rents	2,166.8	2,373.2	206.4	9.5%
Total Administrative and General Expenses		27,057.8	31,518.7	4,461.0	16.5%

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**TABLE 5-1
TAXES OTHER THAN INCOME**

Test Year 2024 (\$000)		Cal PA	Cal Am	Cal Am > Cal PA	
OTHER TAXES					
	Ad Valorem	10,723.2	11,007.5	284.3	2.7%
	Franchise Taxes	0.0	0.0	0.0	0.0%
	Payroll Taxes	2,069.1	2,248.6	179.5	8.7%
	Other	120.6	127.6	7.0	5.8%
	Non-Utility	0.0	0.0	0.0	0.0%
Total Taxes Other Than Income, At Proposed Rates		12,912.9	13,383.7	470.8	3.6%
Escalation Year 2025 (\$000)		Cal PA	Cal Am	Cal Am > Cal PA	
OTHER TAXES					
	Ad Valorem	11,378.2	12,197.8	819.6	7.2%
	Franchise Taxes	0.0	0.0	0.0	0.0%
	Payroll Taxes	2,113.4	2,307.0	193.6	9.2%
	Other	124.3	131.5	7.2	5.8%
	Non-Utility	0.0	0.0	0.0	0.0%
Total Taxes Other Than Income, At Proposed Rates		13,615.8	14,636.2	1,020.4	7.5%

CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 6-1

TAXES BASED ON INCOME - TEST YEAR AT PRESENT RATES

For Illustrative Purposes (\$000)

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenue at Present Rates	145,558.1	128,865.1	(16,693.0)	-11.5%
Deductions:				
Operating Exps less uncollectibles	174,257.4	191,420.2	17,162.8	9.8%
Uncollectibles	1,717.5	5,827.5	4,109.9	239.3%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	42,656.1	44,093.6	1,437.5	3.4%
Interest Expense	20,862.8	22,914.8	2,052.1	9.8%
General Taxes	12,912.9	13,383.7	470.8	3.6%
Non-deductible Meals	(99.9)	(99.9)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	252,306.8	277,539.9	25,233.1	10.0%
Total Deductions for State Tax	252,306.8	277,539.9	25,233.1	10.0%
Taxable Income - State	(106,748.7)	(148,674.7)	(41,926.0)	39.3%
State Income Tax @ (see below)	(9,436.6)	(13,142.8)	(3,706.3)	39.3%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	(9,436.6)	(13,142.8)	(3,706.3)	39.3%
Estimated State tax for 2024	4,438.2	2,310.0	(2,128.2)	-48.0%
Taxable Income - Federal	(111,186.9)	(150,984.7)	(39,797.8)	35.8%
Federal Income Tax @ (See below)	(23,349.2)	(31,706.8)	(8,357.5)	35.8%
Less: Amort Deferred Federal ITC	(53.3)	(53.3)	0.0	0.0%
FEDERAL INCOME TAX	(23,402.5)	(31,760.1)	(8,357.5)	35.7%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	0.0%	0.0%
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	0.0%	0.0%
Total Income Taxes for Revenues at Present Rates	(32,839.1)	(44,902.9)	(12,063.8)	36.7%

CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 6-2

TAXES BASED ON INCOME - TEST YEAR AT PROPOSED RATES

For Illustrative Purposes (\$000)

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenue at Proposed Rates	312,601.6	344,155.2	31,553.6	10.1%
Deductions:				
Operating Expenses excluding uncollectibles	174,257.4	191,420.2	17,162.8	9.8%
Uncollectibles	1,599.6	6,017.5	4,417.9	276.2%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	42,656.1	44,093.6	1,437.5	3.4%
Interest Expense	20,862.8	22,914.8	2,052.1	9.8%
General Taxes	12,912.9	13,383.7	470.8	3.6%
Non-deductible Meals	(99.9)	(99.9)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	252,188.9	277,730.0	25,541.1	10.1%
Total Deductions for State Tax	252,188.9	277,730.0	25,541.1	10.1%
Taxable Income - State	60,412.8	66,425.2	6,012.5	10.0%
State Income Tax @8.84%	5,340.5	5,872.0	531.5	10.0%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	5,340.5	5,872.0	531.5	10.0%
Estimated State tax for 2024	4,438.2	2,310.0	(2,128.2)	-48.0%
Taxable Income - Federal	55,974.6	64,115.3	8,140.7	14.5%
Federal Income Tax @21%	11,754.7	13,464.2	1,709.5	14.5%
Less: Amort Deferred Federal ITC	(53.3)	(53.3)	0.0	0.0%
FEDERAL INCOME TAX	11,701.4	13,410.9	1,709.5	14.6%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	0.0%	0.0%
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	0.0%	0.0%
Total Income Taxes for Revenues at Proposed Rates	17,041.9	19,282.9	2,241.0	13.2%

CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 6-3

TAXES BASED ON INCOME - ESCALATION YEAR AT PRESENT RATES

For Illustrative Purposes (\$000)

Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenues at Present Rates	309,981.5	346,176.3	36,194.8	11.7%
Deductions:				
Operating Expenses excluding uncollectibles	179,796.7	196,686.0	16,889.3	9.4%
Uncollectibles	1,586.2	1,802.4	216.2	13.6%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	45,673.2	48,713.7	3,040.6	6.7%
Interest Expense	21,783.9	25,744.6	3,960.8	18.2%
General Taxes	13,615.8	14,636.2	1,020.4	7.5%
Non-deductible Meals	(102.9)	(102.9)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	262,352.8	287,480.0	25,127.2	9.6%
Total Deductions for State Tax	262,352.8	287,480.0	25,127.2	9.6%
Taxable Income - State	47,628.6	58,696.2	11,067.6	23.2%
State Income Tax @ (see below)	4,210.4	5,188.7	978.4	23.2%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	4,210.4	5,188.7	978.4	23.2%
Estimated State tax for 2025	7,367.3	2,661.6	(4,705.7)	-63.9%
Taxable Income - Federal	40,261.3	56,034.7	15,773.3	39.2%
Federal Income Tax @ (See below)	8,454.9	11,767.3	3,312.4	39.2%
Less: Amort Deferred Federal ITC	(53.3)	(53.3)	0.0	0.0%
FEDERAL INCOME TAX	8,401.6	11,714.0	3,312.4	39.4%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	<i>0.0%</i>	<i>0.0%</i>
Total Income Taxes for Revenues at Present Rates	12,612.0	16,902.8	4,290.8	34.0%

CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 6-4

TAXES BASED ON INCOME - ESCALATION YEAR AT PROPOSED RATES

For Illustrative Purposes (\$000)				
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenues at Proposed Rates	325,499.0	366,288.9	40,789.9	12.5%
Deductions:				
Operating Exps less uncollectibles	179,796.7	196,686.0	16,889.3	9.4%
Uncollectibles	1,665.6	6,260.4	4,594.8	275.9%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	45,673.2	48,713.7	3,040.6	6.7%
Interest Expense	21,783.9	25,744.6	3,960.8	18.2%
General Taxes	13,615.8	14,636.2	1,020.4	7.5%
Non-deductible Meals	(102.9)	(102.9)	(0.0)	0.0%
Total Deductions				
Federal	262,432.2	291,938.0	29,505.8	11.2%
State	262,432.2	291,938.0	29,505.8	11.2%
Taxable Income - State	63,066.7	74,350.8	11,284.1	17.9%
State Income Tax @ (see below)	5,575.1	6,572.6	997.5	17.9%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	5,575.1	6,572.6	997.5	17.9%
Estimated State tax for 2020	5,340.5	5,872.0	531.5	10.0%
Taxable Income - Federal	57,726.3	68,478.8	10,752.6	18.6%
Federal Income Tax @ (See below)	12,122.5	14,380.6	2,258.0	18.6%
Less: Amort Deferred Federal ITC	(53.3)	(53.3)	0.0	0.0%
FEDERAL INCOME TAX	12,069.2	14,327.3	2,258.0	18.7%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	0.0%	0.0%
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	0.0%	0.0%
Total Income Taxes for Revenues at Proposed Rates	17,644.3	20,899.9	3,255.6	18.5%

TABLE 7-1
UTILITY PLANT IN SERVICE

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Plant in Service - Beginning of Year	1,460,010.9	1,449,234.8	(10,776.1)	-0.7%
Gross Additions during a year	108,105.4	163,565.1	55,459.7	51.3%
Retirement and Other Adjustments:	0.0	0.0		
Retirements	3,341.1	4,803.1	1,462.0	43.8%
Sales and Adjustments	0.0	0.0	0.0	0.0%
Capitalized Interest During Construction	0.0	0.0	0.0	0.0%
Net Additions	104,764.4	158,762.1	53,997.7	51.5%
Construction Work in Progress Beginning Balance	32,780.5	74,841.9	42,061.5	128.3%
Construction Work in Progress Ending Balance	16,920.9	77,473.8	60,552.9	357.9%
Construction Work in Progress Net Additions	(15,859.6)	2,631.9	18,491.5	-116.6%
Plant in Service - End of Year	1,564,775.3	1,607,996.8	43,221.6	2.8%
<i>Plant Weighting Factor</i>	53.62%	49.63%	-4.0%	-7.5%
Weighted Average Plant in Service	1,540,466.0	1,604,174.4	63,708.3	4.1%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Plant in Service - Beginning of Year	1,564,775.3	1,607,996.8	43,221.6	2.8%
Gross Additions during a year	80,973.8	148,225.8	67,252.0	83.1%
Retirement and Other Adjustments:	0.0	0.0		
Retirements	2,359.2	3,982.0	1,622.7	68.8%
Sales and Adjustments	0.0	0.0	0.0	0.0%
Capitalized Interest During Construction	0.0	0.0	0.0	0.0%
Net Additions	78,614.6	144,243.9	65,629.3	83.5%
Construction Work in Progress Beginning Balance	16,920.9	77,473.8	60,552.9	357.9%
Construction Work in Progress Ending Balance	18,650.8	94,550.1	75,899.2	406.9%
Construction Work in Progress Net Additions	1,729.9	17,076.2	15,346.3	887.1%
Plant in Service - End of Year	1,643,389.9	1,752,240.7	108,850.9	6.6%
<i>Plant Weighting Factor</i>	54.04%	49.58%	-4.5%	-8.3%
Weighted Average Plant in Service	1,625,115.3	1,765,456.1	140,340.8	8.6%

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TABLE 8-1

DEPRECIATION RESERVE & EXPENSE

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Depreciation Reserve - Beginning of Year	480,343.6	472,508.1	(7,835.5)	-1.6%
Annual Accruals including Contribution Depreciation	41,784.1	42,251.7	467.7	1.1%
Retirements/Debits to Depreciation	3,341.1	4,803.1	1,462.0	43.8%
(Salvage) Cost of Removal	(3,150.6)	(3,150.6)	0.0	0.0%
Depreciation Reserve Adjustment	0.0	0.0	0.0	0.0%
Net Accrual	35,292.4	34,298.1	(994.3)	-2.8%
Depreciation Reserve - End of Year	515,636.0	506,806.1	(8,829.8)	-1.7%
<i>Depreciation Reserve Weighting Factor (6-Year Average)</i>	49.58%	49.51%	-0.1%	-0.1%
Weighted Average Addition	17,497.4	16,980.2	-51726.6%	-3.0%
Weighted Average Depreciation Reserve	497,841.0	489,488.2	(8,352.8)	-1.7%
<i>Deprec. expense related to CIAC</i>	4,227.2	4,142.3	(84.9)	-2.0%
<i>Allocated GO Depreciation Expense</i>	42,656.1	44,093.6	1,437.5	3.4%
<i>Deprec. expense for summary of earnings calc.</i>	80,212.9	82,203.0	1,990.0	2.5%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Depreciation Reserve - Beginning of Year	515,636.0	506,806.1	(8,829.8)	-1.7%
Annual Accruals including Contribution Depreciation	44,714.1	46,561.3	1,847.2	4.1%
Retirements/Debits to Depreciation	2,359.2	3,982.0	1,622.7	68.8%
Salvage/Cost of Removal	(2,645.7)	(2,645.7)	0.0	0.0%
Depreciation Reserve Adjustment	0.0	0.0	0.0	0.0%
Net Accrual	39,709.2	39,933.6	224.4	0.6%
Depreciation Reserve - End of Year	555,345.1	546,739.7	(8,605.4)	-1.5%
<i>Depreciation Reserve Weighting Factor (6-Year Average)</i>	49.54%	49.47%	-0.1%	-0.1%
Weighted Average Depreciation Reserve	535,306.5	526,560.5	(8,746.0)	-1.6%
<i>Deprec. expense related to CIAC</i>	4,414.5	4,329.6	(84.9)	-1.9%
<i>Allocated GO Depreciation Expense</i>	45,673.2	48,713.7	3,040.6	6.7%
<i>Deprec. expense for summary of earnings calc.</i>	85,972.8	90,945.4	497258.2%	5.8%

CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 9-1

WEIGHTED AVERAGE RATE BASE - TEST YEAR

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Weighted Average Plant In Service including adv for construction	1,540,466.0	1,604,174.4	63,708.3	4.1%
<u>Additions to Rate Base:</u>				
Materials and Supplies	1,194.1	1,259.4	65.3	5.5%
Working Cash, Operational	14,855.1	14,979.0	123.9	0.8%
Working Cash, Lead Lag	17,536.0	24,974.5	7,438.5	42.4%
Total Additions to Rate Base	<u>33,585.1</u>	<u>41,212.8</u>	7,627.7	22.7%
<u>Deductions from Rate Base:</u>				
Weighted Average Depreciation Reserve	(497,841.0)	(489,488.2)	8,352.8	-1.7%
Advances for Construction	(32,499.8)	(31,687.3)	812.5	-2.5%
Unamortized Advances (20-Year Amortization)	0.0	0.0	0.0	0.0%
Contribution In Aid of Contruction (Including Def Rev on CAC)	(119,615.1)	(116,772.0)	2,843.1	-2.4%
Unamortized Contribution (20-Year Amortization)	0.0	0.0	0.0	0.0%
Accumulated Deferred Federal Income Taxes	(75,795.3)	(76,882.4)	(1,087.1)	1.4%
Accumulated Deferred State Income Taxes	(17,114.1)	(17,615.9)	(501.9)	2.9%
Total Deductions from Rate Base	<u>(742,865.2)</u>	<u>(732,445.8)</u>	10,419.4	-1.4%
Weighted Average Rate Base	<u>831,186.0</u>	<u>912,941.4</u>	<u>81,755.4</u>	9.8%
<u>Interest Calculation (for Tax Deductions):</u>				
Weighted Avg. Rate Base less customer deposits in Working Cash	831,186.0	912,941.4	81,755.4	9.8%
Weighted Cost of Debt	2.51%	2.51%	0.0%	0.0%
Interest Expense	20,862.8	22,914.8	2,052.1	9.8%
<u>Required return after tax (in \$)</u>				
Weighted Cost of Capital	7.61%	7.61%	0.0%	0.0%
Required Return	63,253.3	69,474.8	6,221.6	9.8%

CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 9-2

WEIGHTED AVERAGE RATE BASE - ESCALATION YEAR

Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Weighted Average Plant In Service including adv for construction	1,625,115.3	1,765,456.1	140,340.8	8.6%
<u>Additions to Rate Base:</u>				
Materials and Supplies	1,230.1	1,297.4	67.3	5.5%
Working Cash, Operational	14,518.4	14,325.7	(192.8)	-1.3%
Working Cash, Lead Lag	18,580.8	26,433.2	7,852.4	42.3%
Total Additions to Rate Base	<u>34,329.4</u>	<u>42,056.3</u>	7,726.9	22.5%
<u>Deductions from Rate Base:</u>				
Weighted Average Depreciation Reserve	(535,306.5)	(526,560.5)	8,746.0	-1.6%
Advances for Construction	(33,536.0)	(32,704.8)	831.2	-2.5%
Unamortized Advances (20-Year Amortization)	0.0	0.0	0.0	0.0%
Contribution In Aid of Construction (Including Def Rev on CAC)	(122,618.8)	(119,848.9)	2,769.9	-2.3%
Unamortized Contribution (20-Year Amortization)	0.0	0.0	0.0	0.0%
Accumulated Deferred Federal Income Taxes	(80,663.8)	(82,456.2)	(1,792.5)	2.2%
Accumulated Deferred State Income Taxes	(19,436.9)	(20,260.3)	(823.4)	4.2%
Total Deductions from Rate Base	<u>(791,562.0)</u>	<u>(781,830.7)</u>	9,731.3	-1.2%
Weighted Average Rate Base	<u>867,882.6</u>	<u>1,025,681.7</u>	<u>157,799.1</u>	18.2%
<u>Interest Calculation (for Tax Deductions):</u>				
<i>Weighted Avg. Rate Base less customer deposits in Working Cash</i>	<i>867,882.6</i>	<i>1,025,681.7</i>	<i>157,799.1</i>	<i>18.2%</i>
<i>Weighted Cost of Debt</i>	<i>2.51%</i>	<i>2.51%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Interest Expense</i>	<i>21,783.9</i>	<i>25,744.6</i>	<i>3,960.8</i>	<i>18.2%</i>
<u>Required return after tax (in \$)</u>				
<i>Weighted Cost of Capital</i>	<i>7.61%</i>	<i>7.61%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Required Return</i>	<i>66,045.9</i>	<i>78,054.4</i>	<i>12,008.5</i>	<i>18.2%</i>

Monterey Wastewater
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 1-1
SUMMARY OF EARNINGS - TEST YEAR

Test Year 2024 (\$000)	Cal PA- Present Rates	Cal Am- Present Rates	Cal Am > Cal PA	
Total Revenue	3,949.0	3,928.8	(20.2)	-0.5%
<u>Operation and Maintenance Expenses:</u>				
Labor	1,079.3	1,344.9	265.5	24.6%
Purchased Water	0.0	0.0	0.0	0.0%
Purchased Power	318.3	269.2	(49.1)	-15.4%
Chemicals	347.9	468.0	120.0	34.5%
Operation expense	387.7	408.4	20.6	5.3%
Maintenance (excluding Amortization of Tank Paintin	231.9	242.7	10.8	4.7%
Amortization of Tank Painting	0.0	0.0	0.0	0.0%
Customer Accounting	27.7	31.1	3.4	12.3%
Uncollectibles*	20.2	20.5	0.3	1.5%
<u>General and Administrative Expenses:</u>				
Insurance	32.5	36.7	4.2	13.1%
Pensions and Benefits	219.5	284.8	65.3	29.7%
Regulatory Expense	4.1	4.3	0.2	4.6%
Rents	7.6	7.3	(0.3)	-4.2%
Outside Services	50.6	53.5	2.9	5.7%
Other Administrative & General	174.0	191.6	17.6	10.1%
Subtotal	2,901.4	3,362.9	461.5	15.9%
Service Company	12.9	87.8	74.9	580.8%
Citizens Acquisition Premium	0.0	0.0	0.0	0.0%
GO Return on Rate Base	22.8	40.9	18.1	79.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(49.1)	0.0	49.1	-100.0%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	2,888.0	3,491.6	603.6	20.9%
Depreciation	384.2	324.7	(59.4)	-15.5%
General Taxes	116.2	118.0	1.8	1.5%
Total Operating Expenses	3,388.4	3,934.4	545.9	16.1%
Income before taxes	560.5	(5.6)	(566.1)	-101.0%
State Income Taxes	37.7	(12.7)	(50.5)	-133.7%
Federal Income Taxes	72.1	(42.6)	(114.6)	-159.1%
Income After Tax	450.7	49.7	(401.0)	-89.0%
Weighted Average Rate Base	5,345.4	5,535.8	190.4	3.6%
Return on Rate Base at Present Rates	8.43%	0.90%	-7.53%	-89.3%

Test Year 2024 (\$000)	Cal PA- Proposed Rates	Cal Am- Proposed Rates	Cal Am > Cal PA	
Total Revenue	3,886.0	4,460.8	574.8	14.8%
Operation and Maintenance Expenses:				
Labor	1,079.3	1,344.9	265.5	24.6%
Purchased Water	0.0	0.0	0.0	0.0%
Purchased Power	318.3	269.2	(49.1)	-15.4%
Chemicals	347.9	468.0	120.0	34.5%
Operation expense	387.7	408.4	20.6	5.3%
Maintenance (excluding Amortization of Tank Painting)	231.9	242.7	10.8	4.7%
Amortization of Tank Painting	0.0	0.0	0.0	0.0%
Customer Accounting	27.7	31.1	3.4	12.3%
Uncollectibles*	19.9	23.2	3.3	16.6%
General and Administrative Expenses:				
Insurance	32.5	36.7	4.2	13.1%
Pensions and Benefits	219.5	284.8	65.3	29.7%
Regulatory Expense	4.1	4.3	0.2	4.6%
Rents	7.6	7.3	(0.3)	-4.2%
Outside Services	50.6	53.5	2.9	5.7%
Other Administrative & General	174.0	191.6	17.6	10.1%
Subtotal	2,901.1	3,365.6	464.5	16.0%
Service Company	12.9	87.8	74.9	580.8%
Citizens Acquisition Premium	0.0	0.0	0.0	0.0%
GO Return on Rate Base	22.8	40.9	18.1	79.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(49.1)	0.0	49.1	-100.0%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	2,887.7	3,494.3	606.6	21.0%
Depreciation	384.2	324.7	(59.4)	-15.5%
General Taxes	116.2	118.0	1.8	1.5%
Total Operating Expenses	3,388.1	3,937.1	548.9	16.2%
Income before taxes	497.9	523.8	25.9	5.2%
State Income Taxes	32.2	34.1	1.9	5.8%
Federal Income Taxes	58.9	68.6	9.7	16.4%
Income After Tax	406.8	421.1	14.3	3.5%
Weighted Average Rate Base	5,345.4	5,535.8	190.4	3.6%
Return on Rate Base at Proposed Rates	7.61%	7.61%	0.00%	0.0%

Monterey Wastewater
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 1-1x
SUMMARY OF EARNINGS - ESCALATION YEAR >>> NOT RECOMMENDED ATTRITION YR SOE

Escalation Year 2025 (\$000)	Cal PA- Present Rates	Cal Am- Present Rates	Cal Am > Cal PA	
Total Revenue	3,847.6	4,442.5	595.0	15.5%
<u>Operation and Maintenance Expenses:</u>				
Labor	1,105.3	1,384.2	278.9	25.2%
Purchased Water	0.0	0.0	0.0	0.0%
Purchased Power	336.5	269.2	(67.3)	-20.0%
Chemicals	358.4	486.7	128.3	35.8%
Operation expense	399.4	420.7	21.2	5.3%
Maintenance (excluding Amortization of Tank Paintin	238.9	250.0	11.2	4.7%
Amortization of Tank Painting	0.0	0.0	0.0	0.0%
Customer Accounting	28.6	32.1	3.5	12.3%
Uncollectibles*	19.7	23.1	3.4	17.3%
<u>General and Administrative Expenses:</u>				
Insurance	33.4	37.8	4.4	13.1%
Pensions and Benefits	225.1	291.5	66.4	29.5%
Regulatory Expense	4.1	17.2	13.1	318.2%
Rents	7.7	7.3	(0.4)	-4.6%
Outside Services	52.1	55.1	3.0	5.7%
Other Administrative & General	175.4	193.5	18.1	10.3%
Subtotal	2,984.7	3,468.4	483.7	16.2%
Service Company	13.3	90.3	77.1	579.9%
Citizens Acquisition Premium	0.0	0.0	0.0	0.0%
GO Return on Rate Base	21.4	41.1	19.6	91.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(50.5)	0.0	50.5	-100.0%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	2,968.9	3,599.8	630.9	21.2%
Depreciation	393.9	351.4	(42.5)	-10.8%
General Taxes	118.9	121.3	2.4	2.0%
Total Operating Expenses	3,481.7	4,072.5	590.8	17.0%
Income before taxes	365.8	370.0	4.2	1.1%
State Income Taxes	20.1	19.7	(0.5)	-2.3%
Federal Income Taxes	28.3	26.8	(1.5)	-5.3%
Income After Tax	317.4	323.5	6.2	1.9%
Weighted Average Rate Base	5,526.0	5,901.4	375.4	6.8%
Return on Rate Base at Present Rates	5.74%	5.48%	-0.26%	-4.5%

Escalation Year 2025 (\$000)	Cal PA-	Cal Am-	Cal Am > Cal PA	
	Proposed Rates	Proposed Rates		
Total Revenue	3,995.3	4,622.4	627.0	15.7%
Operation and Maintenance Expenses:				
Labor	1,105.3	1,384.2	278.9	25.2%
Purchased Water	0.0	0.0	0.0	0.0%
Purchased Power	336.5	269.2	(67.3)	-20.0%
Chemicals	358.4	486.7	128.3	35.8%
Operation expense	399.4	420.7	21.2	5.3%
Maintenance (excluding Amortization of Tank Painting)	238.9	250.0	11.2	4.7%
Amortization of Tank Painting	0.0	0.0	0.0	0.0%
Customer Accounting	28.6	32.1	3.5	12.3%
Uncollectibles*	20.4	24.1	3.7	18.1%
General and Administrative Expenses:				
Insurance	33.4	37.8	4.4	13.1%
Pensions and Benefits	225.1	291.5	66.4	29.5%
Regulatory Expense	4.1	17.2	13.1	318.2%
Rents	7.7	7.3	(0.4)	-4.6%
Outside Services	52.1	55.1	3.0	5.7%
Other Administrative & General	175.4	193.5	18.1	10.3%
Subtotal	2,985.4	3,469.4	484.0	16.2%
Service Company	13.3	90.3	77.1	579.9%
Citizens Acquisition Premium	0.0	0.0	0.0	0.0%
GO Return on Rate Base	21.4	41.1	19.6	91.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(50.5)	0.0	50.5	-100.0%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	2,969.6	3,600.8	631.2	21.3%
Depreciation	393.9	351.4	(42.5)	-10.8%
General Taxes	118.9	121.3	2.4	2.0%
Total Operating Expenses	3,482.4	4,073.5	591.1	17.0%
Income before taxes	512.9	548.9	36.0	7.0%
State Income Taxes	33.1	35.5	2.4	7.1%
Federal Income Taxes	59.2	64.4	5.2	8.8%
Income After Tax	420.6	449.0	28.4	6.8%
Weighted Average Rate Base	5,526.0	5,901.4	375.4	6.8%
Return on Rate Base at Proposed Rates	7.61%	7.61%	0.00%	0.0%

Monterey Wastewater
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TABLE 1-2
SUMMARY OF EARNINGS - ESCALATION YEARS

For Illustrative Purposes (\$000)	Cal PA 2025	Cal PA 2026	2025 to 2026 Increase	
Total Revenue	3,995.3	4,099.4	104.1	2.6%
<u>Operation and Maintenance Expenses:</u>				
Labor	1,105.3	1,138.7	33.4	3.0%
Purchased Water	0.0	0.0	0.0	0.0%
Purchased Power	336.5	336.5	0.0	0.0%
Chemicals	358.4	369.3	10.8	3.0%
Operation expense	399.4	411.5	12.1	3.0%
Maintenance (excluding Amortization of Tank Painting)	238.9	244.6	5.8	2.4%
Amortization of Tank Painting	0.0	0.0	0.0	0.0%
Customer Accounting	28.6	29.4	0.9	3.0%
Uncollectibles	20.4	20.2	(0.2)	-1.0%
<u>General and Administrative Expenses:</u>				
Insurance	33.4	34.4	1.0	3.0%
Pensions and Benefits	225.1	231.9	6.8	3.0%
Regulatory Expense	4.1	4.1	0.0	0.0%
Rents	7.7	7.8	0.1	1.5%
Outside Services	52.1	53.7	1.6	3.0%
Other Administrative & General	175.4	177.3	1.9	1.1%
Subtotal	2,985.4	3,059.5	74.1	2.5%
Service Company	13.3	13.7	0.4	3.0%
Citizens Acquisition Premium	0.0	0.0	0.0	0.0%
GO Return on Rate Base	21.4	20.1	(1.4)	-6.3%
Other - Deceptive Pricing Adjustment and Return on T&D	(50.5)	(52.1)	(1.5)	3.0%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	2,969.6	3,041.2	71.6	2.4%
Depreciation	393.9	403.6	9.7	2.5%
General Taxes	118.9	122.7	3.9	3.2%
Total Operating Expenses	3,482.4	3,567.6	85.2	2.4%
Income before taxes	512.9	531.8	18.9	3.7%
Total Income Taxes	92.3	97.5	5.2	5.6%
Income After Tax	420.6	434.3	13.7	3.3%
Weighted Average Rate Base	5,526.0	5,706.6	180.6	3.3%
Return on Rate Base	7.61%	7.61%	(0.0)	0.0%

Monterey Wastewater					
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001					
TABLE 2-1					
AVERAGE WATER SALES PER CUSTOMER (OR PER CONNECTION)					
Test Year 2024 (CCF/connection/year)*	Cal PA	Cal Am	Cal Am > Cal PA		
Average Metered Water Sales:					
Residential	0.0	0.0	0.0	0.0%	
Multiresidential	0.0	0.0	0.0	0.0%	
Multiresidential (Mstr Mtr)	0.0	0.0	0.0	0.0%	
Commercial	0.0	0.0	0.0	0.0%	
Industrial	0.0	0.0	0.0	0.0%	
Public Authority	0.0	0.0	0.0	0.0%	
Sales for Resale	0.0	0.0	0.0	0.0%	
Other	0.0	0.0	0.0	0.0%	
Golf Courses	0.0	0.0	0.0	0.0%	
Construction	0.0	0.0	0.0	0.0%	
Irrigation Gravity	0.0	0.0	0.0	0.0%	
Irrigation Pressure	0.0	0.0	0.0	0.0%	
Private Fire	0.0	0.0	0.0	0.0%	
Private Fire Mandated	0.0	0.0	0.0	0.0%	
Public Fire	0.0	0.0	0.0	0.0%	
Hotel	0.0	0.0	0.0	0.0%	
Residential Flat	0.0	0.0	0.0	0.0%	
Commercial (Flat)	0.0	0.0	0.0	0.0%	
Unmetered	0.0	0.0	0.0	0.0%	
Reserved	0.0	0.0	0.0	0.0%	
Reserved	0.0	0.0	0.0	0.0%	

Escalation Year 2025 (CCF/connection/year)*		Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Water Sales:					
	Residential	0.0	0.0	0.0	0.0%
	Multiresidential	0.0	0.0	0.0	0.0%
	Multiresidential (Mstr Mtr)	0.0	0.0	0.0	0.0%
	Commercial	0.0	0.0	0.0	0.0%
	Industrial	0.0	0.0	0.0	0.0%
	Public Authority	0.0	0.0	0.0	0.0%
	Sales for Resale	0.0	0.0	0.0	0.0%
	Other	0.0	0.0	0.0	0.0%
	Golf Courses	0.0	0.0	0.0	0.0%
	Construction	0.0	0.0	0.0	0.0%
	Irrigation Gravity	0.0	0.0	0.0	0.0%
	Irrigation Pressure	0.0	0.0	0.0	0.0%
	Private Fire	0.0	0.0	0.0	0.0%
	Private Fire Mandated	0.0	0.0	0.0	0.0%
	Public Fire	0.0	0.0	0.0	0.0%
	Hotel	0.0	0.0	0.0	0.0%
	Residential Flat	0.0	0.0	0.0	0.0%
	Commercial (Flat)	0.0	0.0	0.0	0.0%
	Unmetered	0.0	0.0	0.0	0.0%
	Reserved	0.0	0.0	0.0	0.0%
	Reserved	0.0	0.0	0.0	0.0%

Monterey Wastewater
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TABLE 2-2
AVERAGE NUMBER OF CUSTOMERS (SERVICE CONNECTIONS)

Test Year 2024	Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Customers (Service Connections):				
Residential	0	0	0	0%
Multiresidential	0	0	0	0%
Multiresidential (Mstr Mtr)	0	0	0	0%
Commercial	0	0	0	0%
Industrial	0	0	0	0%
Public Authority	0	0	0	0%
Sales for Resale	0	0	0	0%
Other	0	0	0	0%
Golf Courses	0	0	0	0%
Construction	0	0	0	0%
Irrigation Gravity	0	0	0	0%
Irrigation Pressure	0	0	0	0%
Private Fire	0	0	0	0%
Private Fire Mandated	0	0	0	0%
Private Fire Protection Service	0	0	0	0%
Hotel	0	0	0	0%
Residential Flat	0	0	0	0%
Commercial (Flat)	0	0	0	0%
Unmetered	0	0	0	0%
Reserved	0	0	0	0%
Reserved	0	0	0	0%
Total	0	0	0	0%

Escalation Year 2025		Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Customers (Service Connections):					
	Residential	0	0	0	0%
	Multiresidential	0	0	0	0%
	Multiresidential (Mstr Mtr)	0	0	0	0%
	Commercial	0	0	0	0%
	Industrial	0	0	0	0%
	Public Authority	0	0	0	0%
	Sales for Resale	0	0	0	0%
	Other	0	0	0	0%
	Golf Courses	0	0	0	0%
	Construction	0	0	0	0%
	Irrigation Gravity	0	0	0	0%
	Irrigation Pressure	0	0	0	0%
	Private Fire	0	0	0	0%
	Private Fire Mandated	0	0	0	0%
	Private Fire Protection Service	0	0	0	0%
	Hotel	0	0	0	0%
	Residential Flat	0	0	0	0%
	Commercial (Flat)	0	0	0	0%
	Unmetered	0	0	0	0%
	Reserved	0	0	0	0%
	Reserved	0	0	0	0%
	Total	0	0	0	0%

Monterey Wastewater
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 2-3
TOTAL SALES AND SUPPLY

Test Year 2024 (KCCF)	Cal PA	Cal Am	Cal Am > Cal PA	
Metered Customers				
Residential	0	0	0	0%
Multiresidential	0	0	0	0%
Multiresidential (Mstr Mtr)	0	0	0	0%
Commercial	0	0	0	0%
Industrial	0	0	0	0%
Public Authority	0	0	0	0%
Sales for Resale	0	0	0	0%
Other	0	0	0	0%
Golf Courses	0	0	0	0%
Construction	0	0	0	0%
Irrigation Gravity	0	0	0	0%
Irrigation Pressure	0	0	0	0%
Private Fire	0	0	0	0%
Private Fire Mandated	0	0	0	0%
Private Fire Protection Service	0	0	0	0%
Hotel	0	0	0	0%
Residential Flat	0	0	0	0%
Commercial (Flat)	0	0	0	0%
Unmetered	0	0	0	0%
Reserved	0	0	0	0%
Reserved	0	0	0	0%
Total Sales	0	0	0	0%

Escalation Year 2025 (KCCF)		Cal PA	Cal Am	Cal Am > Cal PA	
Metered Customers (Service Connections):					
	Residential	0	0	0	0%
	Multiresidential	0	0	0	0%
	Multiresidential (Mstr Mtr)	0	0	0	0%
	Commercial	0	0	0	0%
	Industrial	0	0	0	0%
	Public Authority	0	0	0	0%
	Sales for Resale	0	0	0	0%
	Other	0	0	0	0%
	Golf Courses	0	0	0	0%
	Construction	0	0	0	0%
	Irrigation Gravity	0	0	0	0%
	Irrigation Pressure	0	0	0	0%
	Private Fire	0	0	0	0%
	Private Fire Mandated	0	0	0	0%
	Private Fire Protection Service	0	0	0	0%
	Hotel	0	0	0	0%
	Residential Flat	0	0	0	0%
	Commercial (Flat)	0	0	0	0%
	Unmetered	0	0	0	0%
	Reserved	0	0	0	0%
	Reserved	0	0	0	0%
Total Sales		0	0	0	0%

Monterey Wastewater				
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001				
TABLE 2-4				
OPERATING REVENUES AT PRESENT RATES				
Test Year 2024 (\$)	Cal PA	Cal Am	Cal Am > Cal PA	
METERED SALES REVENUE				
Residential	0	0	0.0	0.0%
Multiresidential	0	0	0.0	0.0%
Multiresidential (Mstr Mtr)	0	0	0.0	0.0%
Commercial	0	0	0.0	0.0%
Industrial	0	0	0.0	0.0%
Public Authority	0	0	0.0	0.0%
Sales for Resale	0	0	0.0	0.0%
Other	0	0	0.0	0.0%
Golf Courses	0	0	0.0	0.0%
Construction	0	0	0.0	0.0%
Irrigation Gravity	0	0	0.0	0.0%
Irrigation Pressure	0	0	0.0	0.0%
Residential Fire Protection Service	0	0	0.0	0.0%
Private Fire Mandated	0	0	0.0	0.0%
Private Fire Protection Service	0	0	0.0	0.0%
Hotel	0	0	0.0	0.0%
Reserved	0	0	0.0	0.0%
Total Metered Revenues	0	0	0	0.0%
NON-METERED REVENUE				
Residential Flat	0	0	0.0	0.0%
Commercial (Flat)	0	0	0.0	0.0%
Unmetered	0	0	0.0	0.0%
Reserved	0	0	0.0	0.0%
Total Non-Metered Revenue	0.0	0.0	0.0	0.0%
OTHER REVENUE				
Method 5 Revenues	0	0	0.0	0.0%
Contract Revenues	0	0	0.0	0.0%
Antenna Leases	0	0	0.0	0.0%
Additional NTPS Rev	0	0	0.0	0.0%
Misc Service Revenues	38,467	18,313	(20,153.6)	-52.4%
Late Payment Penalty	0	0	0.0	0.0%
Rents	0	0	0.0	0.0%
Leak Adjustments	0	0	0.0	0.0%
DSIC	0	0	0.0	0.0%
Other	0	0	0.0	0.0%
Subtotal Other Revenue	38,467	18,313	(20,154)	-52.4%
TOTAL OPERATING REVENUES	38,467	18,313	(20,154)	-52.4%
Total Revenues at Present Rates, TY 2024	38,467	18,313	(20,154)	-52.4%

Escalation Year 2025 (\$)		Cal PA	Cal Am	Cal Am > Cal PA	
<u>METERED SALES REVENUE</u>					
	Residential	0	0	0	0.0%
	Multiresidential	0	0	0	0.0%
	Multiresidential (Mstr Mtr)	0	0	0	0.0%
	Commercial	0	0	0	0.0%
	Industrial	0	0	0	0.0%
	Public Authority	0	0	0	0.0%
	Sales for Resale	0	0	0	0.0%
	Other	0	0	0	0.0%
	Golf Courses	0	0	0	0.0%
	Construction	0	0	0	0.0%
	Irrigation Gravity	0	0	0	0.0%
	Irrigation Pressure	0	0	0	0.0%
	Residential Fire Protection Service	0	0	0	0.0%
	Private Fire Mandated	0	0	0	0.0%
	Private Fire Protection Service	0	0	0	0.0%
	Hotel	0	0	0	0.0%
	Reserved	0	0	0	0.0%
	Total Metered Revenues	0	0	0	0.0%
<u>NON-METERED REVENUE</u>					
	Residential Flat	0	0	0	0.0%
	Commercial (Flat)	0	0	0	0.0%
	Unmetered	0	0	0	0.0%
	Res Reserved	0	0	0	0.0%
	Total Non-Metered Revenue	0.0	0.0	0	0.0%
<u>OTHER REVENUE</u>					
	Method 5 Revenues	0	0	0	0.0%
	Contract Revenues	0	0	0	0.0%
	Antenna Leases	0	0	0	0.0%
	Additional NTPS Rev	0	0	0	0.0%
	Misc Service Revenues	38,467	18,313	(20,154)	-52.4%
	Late Payment Penalty	0	0	0	0.0%
	Rents	0	0	0	0.0%
	Leak Adjustments	0	0	0	0.0%
	DSIC	0	0	0	0.0%
	Other	0	0	0	0.0%
	Total Other Revenues	38,467	18,313	(20,154)	-52.4%
TOTAL OPERATING REVENUES		38,467	18,313	(20,154)	-52.4%
Total Rev at Present Rates, EY 2025		38,467	18,313	(20,154)	-52.4%

Monterey Wastewater				
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001				
TABLE 3-1				
OPERATIONS & MAINTENANCE EXPENSES - TEST YEAR				
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
<u>Expenses(Operation, Maintenance, and A&G):</u>				
Labor	1,079.3	1,344.9	265.5	24.6%
Purchased Water	0.0	0.0	0.0	0.0%
Purchased Power	318.3	269.2	(49.1)	-15.4%
Chemicals	347.9	468.0	120.0	34.5%
Operation Expense	387.7	408.4	20.6	5.3%
Maintenance Expense (excluding Amort Tank Paintin	231.9	242.7	10.8	4.7%
Amortization of Tank Painting	0.0	0.0	0.0	0.0%
Customer Accounting	27.7	31.1	3.4	12.3%
Insurance (Property and Injuries & Damages)	32.5	36.7	4.2	13.1%
Pensions and Benefits	219.5	284.8	65.3	29.7%
Regulatory Expense	4.1	4.3	0.2	4.6%
Rents	7.6	7.3	(0.3)	-4.2%
Other Administrative and General	174.0	191.6	17.6	10.1%
Subtotal	2,830.6	3,288.9	458.3	16.2%
Service Company	12.9	87.8	74.9	580.8%
Citizens Acquisition Premium	-	-	0.0	0.0%
GO Return on Rate Base	22.8	40.9	18.1	79.5%
SS Pricing Adjustment	(49.1)	-	49.1	-100.0%
Return on T&D Net Plant Consolidation	-	-	0.0	0.0%
Reserved	-	-	0.0	0.0%
Total Expenses excluding Uncollectibles	2,817.2	3,417.7	600.4	21.3%
<u>At Present Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	3,949.0	3,928.8	(20.2)	-0.5%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	20.2	20.5	0.2	1.2%
Leak Adjustment - Uncollectibles	0.0	0.0	0.0	0.0%
Total Uncollectibles Expense	20.2	20.5	0.2	1.2%
Total Expenses including Uncollectibles (at Present Rate)	2,837.4	3,438.1	600.7	21.2%
<u>At Proposed Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	3,886.0	4,460.8	574.8	14.8%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	19.9	23.2	3.3	16.8%
Leak Adjustment - Uncollectibles	0.0	0.0	0.0	0.0%
Total Uncollectibles Expense	19.9	23.2	3.3	16.8%
Total Expenses including Uncollectibles (at Proposed Rate)	2,837.1	3,440.9	603.8	21.3%

Monterey Wastewater
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 3-2
OPERATIONS & MAINTENANCE EXPENSES - ESCALATION YEAR

Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
<u>Expenses(Operation, Maintenance, and A&G):</u>				
Labor	1,105.3	1,384.2	278.9	25.2%
Purchased Water	0.0	0.0	0.0	0.0%
Purchased Power	336.5	269.2	(67.3)	-20.0%
Chemicals	358.4	486.7	128.3	35.8%
Operation Expense	399.4	420.7	21.2	5.3%
Maintenance Expense (excluding Amort Tank Paintin	238.9	250.0		
Amortization of Tank Painting	0.0	0.0		
Customer Accounting	28.6	32.1	3.5	12.3%
Insurance (Property and Injuries & Damages)	33.4	37.8	4.4	13.1%
Pensions and Benefits	225.1	291.5	66.4	29.5%
Regulatory Expense	4.1	17.2	13.1	318.2%
Rents	7.7	7.3	(0.4)	-4.6%
Other Administrative and General	175.4	193.5	18.1	10.3%
Subtotal	<u>2,912.9</u>	<u>3,390.2</u>	477.3	16.4%
Service Company	13.3	90.3	77.1	579.9%
Citizens Acquisition Premium	-	-	0.0	0.0%
GO Return on Rate Base	21.4	41.1	19.6	91.5%
SS Pricing Adjustment	(50.5)	-		
Return on T&D Net Plant Consolidation	-	-		
Reserved	-	-		
Total O&M excluding Uncollectibles	<u>2,897.1</u>	<u>3,521.6</u>	<u>624.5</u>	<u>21.6%</u>
<u>At Present Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	3,847.6	4,442.5	595.0	15.5%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	19.7	23.1	3.4	17.5%
Leak Adjustment - Uncollectibles	0.0	0.0	0.0	0.0%
Total Uncollectibles Expense	19.7	23.1	3.4	17.5%
Total O&M Expenses including Uncollectibles (at Present Rate)	<u>2,916.8</u>	<u>3,544.8</u>	<u>627.9</u>	<u>21.5%</u>
<u>At Proposed Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	3,995.3	4,622.4	627.0	15.7%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	20.4	24.1	3.6	17.7%
Leak Adjustment - Uncollectibles	0.0	0.0	0.0	0.0%
Total Uncollectibles Expense	20.4	24.1	3.6	17.7%
Total O&M Expenses including Uncollectibles (at Proposed Rate)	<u>2,917.6</u>	<u>3,545.7</u>	<u>628.1</u>	<u>21.5%</u>

Monterey Wastewater					
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001					
TABLE 4-1					
TOTAL EXPENSES EXCLUDING PAYROLL					
(For Information Only)					
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA		
Operation Expenses (Excluding Payroll):					
702 SS Operation Labor and Expenses	0.0	0.0	0.0	0.0%	
703 SS Miscellaneous Expenses	7.1	7.2	0.2	2.3%	
704 SS Purchased Water	0.0	0.0	0.0	0.0%	
722 PP Power production Labor and Exp	0.0	0.0	0.0	0.0%	
724 PP Pumping Labor and Expenses	0.0	0.0	0.0	0.0%	
725 PP Miscellaneous Expenses	0.9	1.0	0.1	6.4%	
726 PP Fuel or Power Purchased for Pumping	318.3	269.2	(49.1)	-15.4%	
742 WT Operation Labor and Expenses	0.9	1.0	0.0	2.6%	
743 WT Miscellaneous Expenses	375.1	395.1	20.0	5.3%	
744 WT Chemicals and Filtering Materials	347.9	468.0	120.0	34.5%	
752 TD Storage Facilities Expenses	0.0	0.0	0.0	0.0%	
753 TD Transmission and Distribution	0.0	0.0	0.0	0.0%	
754 TD Meter Expenses	0.0	0.0	0.0	0.0%	
755 TD Customer Installations Expense	0.0	0.0	0.0	0.0%	
756 TD Miscellaneous Expenses	3.7	4.1	0.4	10.5%	
772 CA Meter Reading Expenses	0.0	0.0	0.0	0.0%	
773 CA Customer Records and Collection	3.4	3.6	0.2	5.5%	
774 CA Miscellaneous Customer Account	24.3	27.6	3.2	13.2%	
775 CA Uncollectible Accounts	20.2	20.5	0.2	1.2%	
999 Divisional Allocation	0.0	0.0	0.0	0.0%	
Total Operation Expenses (Excluding Payroll)	1,101.9	1,197.2	95.3	8.6%	
Maintenance Expense					
707 SS Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%	
708 SS Maint of Collecting and Imp Resrv	0.0	0.0	0.0	0.0%	
709 SS Maintenance of Lake, River and Intakes	0.1	0.1	0.0	6.4%	
710 SS Maintenance of Springs and Tunnels	0.0	0.0	0.0	0.0%	
711 SS Maintenance of Wells	0.0	0.0	0.0	0.0%	
712 SS Maintenance of Supply Mains	0.0	0.0	0.0	0.0%	
713 SS Maintenance of Other Source of Supply	7.5	7.9	0.4	5.1%	
730 PP Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%	
731 PP Maintenance of Power Production	0.0	0.0	0.0	0.0%	
733 PP Maintenance of Other Pumping	0.1	0.1	0.0	6.4%	
747 WT Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%	
748 WT Maintenance of Wter Treatment	146.2	154.9	8.7	5.9%	
759 TD Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%	
760 TD Maintenance of Reservoirs and Tanks	0.0	0.0	0.0	0.0%	
761 TD Maintenance of Transmission and Distr	0.0	0.0	0.0	0.0%	
762 TD Maintenance of Fire Mains	0.0	0.0	0.0	0.0%	
763 TD Maintenance of Services	0.0	0.0	0.0	6.4%	
764 TD Maintenance of Meters	0.0	0.0	0.0	6.4%	
765 TD Maintenance of Hydrants	0.0	0.0	0.0	0.0%	
766 TD Maintenance of Miscellaneous Plant	78.0	79.7	1.8	2.3%	
Total Maintenance Expense	231.9	242.7	10.8	4.7%	
Administrative & General Expenses:					
791 AG Admin and General Salaries	0.0	0.0	0.0	0.0%	
792 AG Office Supplies and Other Exp	3.4	3.6	0.2	5.9%	
793 AG Property Insurance	4.9	4.9	0.0	0.0%	
794 AG Injuries and Damages	27.6	31.8	4.2	15.4%	
795 AG Employees' Pensions and Benefits	219.5	284.8	65.3	29.7%	
797 AG Regulatory Commission Expenses	4.1	4.3	0.2	4.6%	
798 AG Outside Services Employed	50.6	53.5	2.9	5.7%	
799 AG Miscellaneous General Expenses	166.0	183.1	17.1	10.3%	
805 AG Maintenance of General Plant	4.6	4.9	0.3	6.3%	
811 AG Rents	7.6	7.3	(0.3)	-4.2%	
Total Administrative and General Expenses	488.3	578.1	89.9	18.4%	

Escalation Year 2025 (\$000)		Cal PA	Cal Am	Cal Am > Cal PA	
<u>Operation Expenses (Excluding Payroll):</u>					
702	SS Operation Labor and Expenses	0.0	0.0	0.0	0.0%
703	SS Miscellaneous Expenses	7.3	7.4	0.2	2.3%
704	SS Purchased Water	0.0	0.0	0.0	0.0%
722	PP Power production Labor and Exp	0.0	0.0	0.0	0.0%
724	PP Pumping Labor and Expenses	0.0	0.0	0.0	0.0%
725	PP Miscellaneous Expenses	0.9	1.0	0.1	6.4%
726	PP Fuel or Power Purchased for Pumping	336.5	269.2	(67.3)	-20.0%
742	WT Operation Labor and Expenses	1.0	1.0	0.0	2.6%
743	WT Miscellaneous Expenses	386.5	407.1	20.6	5.3%
744	WT Chemicals and Filtering Materials	358.4	486.7	128.3	35.8%
752	TD Storage Facilities Expenses	0.0	0.0	0.0	0.0%
753	TD Transmission and Distribution	0.0	0.0	0.0	0.0%
754	TD Meter Expenses	0.0	0.0	0.0	0.0%
755	TD Customer Installations Expense	0.0	0.0	0.0	0.0%
756	TD Miscellaneous Expenses	3.8	4.2	0.4	10.4%
772	CA Meter Reading Expenses	0.0	0.0	0.0	0.0%
773	CA Customer Records and Collection	3.5	3.7	0.2	5.5%
774	CA Miscellaneous Customer Account	25.1	28.4	3.3	13.2%
775	CA Uncollectible Accounts	19.7	23.1	3.4	17.5%
999	Divisional Allocation	0.0	0.0	0.0	0.0%
Total Operation Expenses (Excluding Payroll)		1,142.7	1,231.8	89.1	7.8%
<u>Maintenance Expense</u>					
707	SS Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
708	SS Maint of Collecting and Imp Resrv	0.0	0.0	0.0	0.0%
709	SS Maintenance of Lake, River and Intakes	0.1	0.1	0.0	6.4%
710	SS Maintenance of Springs and Tunnels	0.0	0.0	0.0	0.0%
711	SS Maintenance of Wells	0.0	0.0	0.0	0.0%
712	SS Maintenance of Supply Mains	0.0	0.0	0.0	0.0%
713	SS Maintenance of Other Source of Supply	7.8	8.2	0.4	5.1%
730	PP Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
731	PP Maintenance of Power Production	0.0	0.0	0.0	0.0%
733	PP Maintenance of Other Pumping	0.1	0.1	0.0	6.4%
747	WT Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
748	WT Maintenance of Wter Treatment	150.6	159.5	8.9	5.9%
759	TD Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
760	TD Maintenance of Reservoirs and Tanks	0.0	0.0	0.0	0.0%
761	TD Maintenance of Transmission and Distr	0.0	0.0	0.0	0.0%
762	TD Maintenance of Fire Mains	0.0	0.0	0.0	0.0%
763	TD Maintenance of Services	0.0	0.0	0.0	6.4%
764	TD Maintenance of Meters	0.0	0.0	0.0	6.4%
765	TD Maintenance of Hydrants	0.0	0.0	0.0	0.0%
766	TD Maintenance of Miscellaneous Plant	80.3	82.1	1.8	2.3%
Total Maintenance Expense		238.9	250.0	11.2	4.7%
<u>Administrative & General Expenses:</u>					
791	Salaries	0.0	0.0	0.0	0.0%
792	Office Supplies	3.5	3.7	0.2	5.9%
793	Property Insurance	5.0	5.0	0.0	0.0%
794	Injuries and Damages	28.4	32.8	4.4	15.4%
795	Pensions,Benefits & PBOP	225.1	291.5	66.4	29.5%
797	Regulatory Commission	4.1	17.2	13.1	318.2%
798	Outside Services	52.1	55.1	3.0	5.7%
799	General Corporate	167.2	184.8	17.6	10.5%
805	Dues & Membership	4.8	5.1	0.3	6.3%
811	Rents	7.7	7.3	(0.4)	-4.6%
Total Administrative and General Expenses		497.9	602.4	104.6	21.0%

Monterey Wastewater
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 5-1
TAXES OTHER THAN INCOME

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
OTHER TAXES				
Ad Valorem	36.1	16.1	(20.0)	-55.5%
Franchise Taxes	0.0	0.0	0.0	0.0%
Payroll Taxes	80.1	101.9	21.8	27.2%
Other	0.0	0.0	0.0	5.7%
Non-Utility	0.0	0.0	0.0	0.0%
Total Taxes Other Than Income, At Proposed Rates	116.2	118.0	1.8	1.5%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
OTHER TAXES				
Ad Valorem	36.9	16.5	(20.4)	-55.2%
Franchise Taxes	0.0	0.0	0.0	0.0%
Payroll Taxes	82.0	104.7	22.8	27.8%
Other	0.0	0.0	0.0	5.7%
Non-Utility	0.0	0.0	0.0	0.0%
Total Taxes Other Than Income, At Proposed Rates	118.9	121.3	2.4	2.0%

Monterey Wastewater
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 6-1
TAXES BASED ON INCOME - TEST YEAR AT PRESENT RATES

For Illustrative Purposes (\$000)				
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenue at Present Rates	3,949.0	3,928.8	(20.2)	-0.5%
Deductions:				
Operating Exps less uncollectibles	2,817.2	3,417.7	600.4	21.3%
Uncollectibles	20.2	20.5	0.2	1.2%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	384.2	324.7	(59.4)	-15.5%
Interest Expense	134.2	138.9	4.8	3.6%
General Taxes	116.2	118.0	1.8	1.5%
Non-deductible Meals	(0.6)	(0.6)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	3,471.4	4,019.2	547.8	15.8%
Total Deductions for State Tax	3,471.4	4,019.2	547.8	15.8%
Taxable Income - State	477.5	(90.4)	(567.9)	-118.9%
State Income Tax @ (see below)	42.2	(8.0)	(50.2)	-118.9%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	42.2	(8.0)	(50.2)	-118.9%
Estimated State tax for 2023	18.9	(24.4)	(43.3)	-229.2%
Taxable Income - Federal	458.7	(66.0)	(524.6)	-114.4%
Federal Income Tax @ (See below)	96.3	(13.9)	(110.2)	-114.4%
Less: Amort Deferred Federal ITC	0.0	0.0	0.0	0.0%
FEDERAL INCOME TAX	96.3	(13.9)	(110.2)	-114.4%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	<i>0.0%</i>	<i>0.0%</i>
Total Income Taxes for Revenues at Present Rates	138.5	(21.8)	(160.4)	-115.8%

Monterey Wastewater
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TABLE 6-2
TAXES BASED ON INCOME - TEST YEAR AT PROPOSED RATES

For Illustrative Purposes (\$000)				
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenue at Proposed Rates	3,886.0	4,460.8	574.8	14.8%
Deductions:				
Operating Expenses excluding uncollectibles	2,817.2	3,417.7	600.4	21.3%
Uncollectibles	19.9	23.2	3.3	16.8%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	384.2	324.7	(59.4)	-15.5%
Interest Expense	134.2	138.9	4.8	3.6%
General Taxes	116.2	118.0	1.8	1.5%
Non-deductible Meals	(0.6)	(0.6)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	3,471.1	4,021.9	550.9	15.9%
Total Deductions for State Tax	3,471.1	4,021.9	550.9	15.9%
Taxable Income - State	414.9	438.9	24.0	5.8%
State Income Tax @8.84%	36.7	38.8	2.1	5.8%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	36.7	38.8	2.1	5.8%
Estimated State tax for 2023	18.9	(24.4)	(43.3)	-229.2%
Taxable Income - Federal	396.0	463.3	67.2	17.0%
Federal Income Tax @21%	83.2	97.3	14.1	17.0%
Less: Amort Deferred Federal ITC	0.0	0.0	0.0	0.0%
FEDERAL INCOME TAX	83.2	97.3	14.1	17.0%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	<i>0.0%</i>	<i>0.0%</i>
Total Income Taxes for Revenues at Proposed Rates	119.8	136.1	16.2	13.6%

Monterey Wastewater
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TABLE 6-3
TAXES BASED ON INCOME - ESCALATION YEAR AT PRESENT RATES

For Illustrative Purposes (\$000)				
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenues at Present Rates	3,847.6	4,442.5	595.0	15.5%
Deductions:				
Operating Expenses excluding uncollectibles	2,897.1	3,521.6	624.5	21.6%
Uncollectibles	19.7	23.1	3.4	17.5%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	393.9	351.4	(42.5)	-10.8%
Interest Expense	138.7	148.1	9.4	6.8%
General Taxes	118.9	121.3	2.4	2.0%
Non-deductible Meals	(0.6)	(0.6)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	3,567.7	4,164.9	597.2	16.7%
Total Deductions for State Tax	3,567.7	4,164.9	597.2	16.7%
Taxable Income - State	279.9	277.6	(2.3)	-0.8%
State Income Tax @ (see below)	24.7	24.5	(0.2)	-0.8%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	24.7	24.5	(0.2)	-0.8%
Estimated State tax for 2024	42.2	(8.0)	(50.2)	-118.9%
Taxable Income - Federal	237.7	285.6	47.9	20.2%
Federal Income Tax @ (See below)	49.9	60.0	10.1	20.2%
Less: Amort Deferred Federal ITC	0.0	0.0	0.0	0.0%
FEDERAL INCOME TAX	49.9	60.0	10.1	20.2%
<i>State Income Tax Rate</i>	8.84%	8.84%	0.0%	0.0%
<i>Federal Income Tax Rate</i>	21.00%	21.00%	0.0%	0.0%
Total Income Taxes for Revenues at Present Rates	74.6	84.5	9.9	13.2%

Monterey Wastewater
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 6-4

TAXES BASED ON INCOME - ESCALATION YEAR AT PROPOSED RATES

For Illustrative Purposes (\$000)

Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenues at Proposed Rates	3,995.3	4,622.4	627.0	15.7%
Deductions:				
Operating Exps less uncollectibles	2,897.1	3,521.6	624.5	21.6%
Uncollectibles	20.4	24.1	3.6	17.7%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	393.9	351.4	(42.5)	-10.8%
Interest Expense	138.7	148.1	9.4	6.8%
General Taxes	118.9	121.3	2.4	2.0%
Non-deductible Meals	(0.6)	(0.6)	(0.0)	0.0%
Total Deductions				
Federal	3,568.4	4,165.9	597.4	16.7%
State	3,568.4	4,165.9	597.4	16.7%
Taxable Income - State	426.9	456.5	29.6	6.9%
State Income Tax @ (see below)	37.7	40.4	2.6	6.9%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	37.7	40.4	2.6	6.9%
Estimated State tax for 2024	36.7	38.8	2.1	5.8%
Taxable Income - Federal	390.2	417.7	27.5	7.0%
Federal Income Tax @ (See below)	81.9	87.7	5.8	7.0%
Less: Amort Deferred Federal ITC	0.0	0.0	0.0	0.0%
FEDERAL INCOME TAX	81.9	87.7	5.8	7.0%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	<i>0.0%</i>	<i>0.0%</i>
Total Income Taxes for Revenues at Proposed Rates	119.7	128.1	8.4	7.0%

Monterey Wastewater
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TABLE 7-1
UTILITY PLANT IN SERVICE

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Plant in Service - Beginning of Year	20,158.3	20,172.3	14.0	0.1%
Gross Additions during a year	409.6	404.0	(5.7)	-1.4%
Retirement and Other Adjustments:				
Retirements	26.0	25.7	(0.4)	-1.4%
Sales and Adjustments	0.0	0.0	0.0	0.0%
Capitalized Interest During Construction	0.0	0.0	0.0	0.0%
Net Additions	383.6	378.3	(5.3)	-1.4%
Construction Work in Progress Beginning Balance	81.8	82.7	0.9	1.1%
Construction Work in Progress Ending Balance	81.8	82.7	0.9	1.1%
Construction Work in Progress Net Additions	0.0	0.0	0.0	0.0%
Plant in Service - End of Year	20,541.9	20,550.6	8.7	0.0%
<i>Plant Weighting Factor</i>	<i>45.02%</i>	<i>45.02%</i>	0.0%	0.0%
Weighted Average Plant in Service	20,412.8	20,425.3	12.5	0.1%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Plant in Service - Beginning of Year	20,541.9	20,550.6	8.7	0.0%
Gross Additions during a year	517.3	807.1	289.7	56.0%
Retirement and Other Adjustments:				
Retirements	27.6	26.9	(0.8)	-2.7%
Sales and Adjustments	0.0	0.0	0.0	0.0%
Capitalized Interest During Construction	0.0	0.0	0.0	0.0%
Net Additions	489.7	780.2	290.5	59.3%
Construction Work in Progress Beginning Balance	81.8	82.7	0.9	1.1%
Construction Work in Progress Ending Balance	81.8	82.7	0.9	1.1%
Construction Work in Progress Net Additions	0.0	0.0	0.0	0.0%
Plant in Service - End of Year	21,031.6	21,330.8	299.2	1.4%
<i>Plant Weighting Factor</i>	<i>45.02%</i>	<i>45.02%</i>	0.0%	0.0%
Weighted Average Plant in Service	20,844.1	20,984.5	140.4	0.7%

Monterey Wastewater
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TABLE 8-1
DEPRECIATION RESERVE & EXPENSE

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Depreciation Reserve - Beginning of Year	10,422.7	10,372.1	(50.6)	-0.5%
Annual Accruals including Contribution Depreciation	500.4	435.8	(64.5)	-12.9%
Retirements/Debits to Depreciation	26.0	25.7	(0.4)	-1.4%
(Salvage) Cost of Removal	(5.3)	(5.3)	0.0	0.0%
Depreciation Reserve Adjustment	0.0	0.0	0.0	0.0%
Net Acual	469.0	404.9	(64.2)	-13.7%
Depreciation Reserve - End of Year	10,891.7	10,776.9	(114.8)	-1.1%
<i>Depreciation Reserve Weighting Factor (6-Year Average)</i>	42.60%	42.60%	0.0%	0.0%
Weighted Average Addition	199.8	172.5	-2733.4%	-13.7%
Weighted Average Depreciation Reserve	10,622.5	10,544.5	(77.9)	-0.7%
<i>Deprec. expense related to CIAC</i>	145.4	145.4	0.0	0.0%
<i>Allocated GO Depreciation Expense</i>	384.2	324.7	(59.4)	-15.5%
<i>Deprec. expense for summary of earnings calc.</i>	739.1	615.1	(124.0)	-16.8%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Depreciation Reserve - Beginning of Year	10,891.7	10,776.9	(114.8)	-1.1%
Annual Accruals including Contribution Depreciation	508.5	459.6	(48.9)	-9.6%
Retirements/Debits to Depreciation	27.6	26.9	(0.8)	-2.7%
Salvage/Cost of Removal	(5.5)	(5.5)	0.0	0.0%
Depreciation Reserve Adjustment	0.0	0.0	0.0	0.0%
Net Acual	475.4	427.3	(48.1)	-10.1%
Depreciation Reserve - End of Year	11,367.1	11,204.2	(162.9)	-1.4%
<i>Depreciation Reserve Weighting Factor (6-Year Average)</i>	42.60%	42.60%	0.0%	0.0%
Weighted Average Depreciation Reserve	11,094.2	10,958.9	(135.3)	-1.2%
<i>Deprec. expense related to CIAC</i>	145.4	145.4	0.0	0.0%
<i>Allocated GO Depreciation Expense</i>	393.9	351.4	(42.5)	-10.8%
<i>Deprec. expense for summary of earnings calc.</i>	757.0	665.6	-9139.3%	-12.1%

Monterey Wastewater
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TABLE 9-1
WEIGHTED AVERAGE RATE BASE - TEST YEAR

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Weighted Average Plant In Service including adv for construction	20,412.8	20,425.3	12.5	0.1%
Additions to Rate Base:				
Materials and Supplies	36.6	38.6	2.0	5.5%
Working Cash, Operational	33.9	33.9	0.0	0.0%
Working Cash, Lead Lag	555.9	653.7	97.8	17.6%
Total Additions to Rate Base	<u>626.4</u>	<u>726.2</u>	99.8	15.9%
Deductions from Rate Base:				
Weighted Average Depreciation Reserve	(10,622.5)	(10,544.5)	77.9	-0.7%
Advances for Construction	0.0	0.0	0.0	0.0%
Unamortized Advances (20-Year Amortization)	0.0	0.0	0.0	0.0%
Contribution In Aid of Contruction (Including Def Rev on CAC)	(4,811.1)	(4,811.1)	0.0	0.0%
Unamortized Contribution (20-Year Amortization)	0.0	0.0	0.0	0.0%
Accumulated Deferred Federal Income Taxes	(228.0)	(227.9)	0.1	0.0%
Accumulated Deferred State Income Taxes	(32.1)	(32.1)	0.0	-0.1%
Total Deductions from Rate Base	<u>(15,693.7)</u>	<u>(15,615.7)</u>	78.0	-0.5%
Weighted Average Rate Base	<u>5,345.4</u>	<u>5,535.8</u>	190.4	3.6%
<u>Interest Calculation (for Tax Deductions):</u>				
Weighted Avg. Rate Base less customer deposits in Working Cash	5,345.4	5,535.8	190.4	3.6%
Weighted Cost of Debt	2.51%	2.51%	0.0%	0.0%
Interest Expense	134.2	138.9	4.8	3.6%
<u>Required return after tax (in \$)</u>				
Weighted Cost of Capital	7.61%	7.61%	0.0%	0.0%
Required Return	406.8	421.3	14.5	3.6%

Monterey Wastewater
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 9-2
WEIGHTED AVERAGE RATE BASE - ESCALATION YEAR

Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Weighted Average Plant In Service including adv for construction	20,844.1	20,984.5	140.4	0.7%
<u>Additions to Rate Base:</u>				
Materials and Supplies	37.7	39.8	2.1	5.5%
Working Cash, Operational	33.9	33.9	0.0	0.0%
Working Cash, Lead Lag	569.5	672.6	103.2	18.1%
Total Additions to Rate Base	<u>641.1</u>	<u>746.3</u>	105.2	16.4%
<u>Deductions from Rate Base:</u>				
Weighted Average Depreciation Reserve	(11,094.2)	(10,958.9)	135.3	-1.2%
Advances for Construction	0.0	0.0	0.0	0.0%
Unamortized Advances (20-Year Amortization)	0.0	0.0	0.0	0.0%
Contribution In Aid of Contruction (Including Def Rev on CAC)	(4,665.7)	(4,665.7)	0.0	0.0%
Unamortized Contribution (20-Year Amortization)	0.0	0.0	0.0	0.0%
Accumulated Deferred Federal Income Taxes	(186.7)	(190.5)	(3.8)	2.0%
Accumulated Deferred State Income Taxes	(12.5)	(14.3)	(1.7)	13.9%
Total Deductions from Rate Base	<u>(15,959.2)</u>	<u>(15,829.5)</u>	129.7	-0.8%
Weighted Average Rate Base	<u>5,526.0</u>	<u>5,901.4</u>	<u>375.4</u>	<u>6.8%</u>
<u>Interest Calculation (for Tax Deductions):</u>				
Weighted Avg. Rate Base less customer deposits in Working Cash	5,526.0	5,901.4	375.4	6.8%
Weighted Cost of Debt	2.51%	2.51%	0.0%	0.0%
Interest Expense	138.7	148.1	9.4	6.8%
<u>Required return after tax (in \$)</u>				
Weighted Cost of Capital	7.61%	7.61%	0.0%	0.0%
Required Return	420.5	449.1	28.6	6.8%

SOUTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 1-1
SUMMARY OF EARNINGS - TEST YEAR

Test Year 2024 (\$000)	Cal PA- Present Rates	Cal Am- Present Rates	Cal Am > Cal PA	
Total Revenue	145,558.1	128,865.1	(16,693.0)	-11.5%
Operation and Maintenance Expenses:				
Labor	9,586.5	10,348.0	761.5	7.9%
Purchased Water	64,640.8	51,178.2	(13,462.6)	-20.8%
Purchased Power	4,032.5	3,022.8	(1,009.7)	-25.0%
Chemicals	187.5	235.5	47.9	25.6%
Operation expense	817.6	2,032.0	1,214.4	148.5%
Maintenance (excluding Amortization of Tank Paintin	1,555.6	1,616.6	61.0	3.9%
Amortization of Tank Painting	386.8	387.0	0.1	0.0%
Customer Accounting	784.4	959.1	174.8	22.3%
Uncollectibles*	744.8	953.0	208.2	28.0%
General and Administrative Expenses:				
Insurance	1,179.1	1,163.7	(15.5)	-1.3%
Pensions and Benefits	2,432.2	2,511.1	78.9	3.2%
Regulatory Expense	286.8	299.9	13.1	4.6%
Rents	942.9	1,015.5	72.6	7.7%
Outside Services	828.5	875.6	47.1	5.7%
Other Administrative & General	3,644.9	3,865.7	220.8	6.1%
Subtotal	92,051.0	80,463.7	(11,587.3)	-12.6%
Service Company	899.8	6,125.5	5,225.8	580.8%
Citizens Acquisition Premium	1,669.8	1,669.8	0.0	0.0%
GO Return on Rate Base	1,589.6	2,854.0	1,264.4	79.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(5,413.4)	715.7	6,129.1	-113.2%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	90,796.7	91,828.7	1,032.0	1.1%
Depreciation	15,459.2	14,820.1	(639.1)	-4.1%
General Taxes	5,294.3	5,263.0	(31.3)	-0.6%
Total Operating Expenses	111,550.2	111,911.7	361.6	0.3%
Income before taxes	34,007.9	16,953.4	(17,054.5)	-50.1%
State Income Taxes	2,397.6	827.2	(1,570.4)	-65.5%
Federal Income Taxes	5,047.3	1,360.5	(3,686.9)	-73.0%
Income After Tax	26,563.0	14,765.7	(11,797.3)	-44.4%
Weighted Average Rate Base	275,536.1	303,874.6	28,338.6	10.3%
Return on Rate Base at Present Rates	9.64%	4.86%	-4.78%	-49.6%

Test Year 2024 (\$000)	Cal PA- Proposed Rates	Cal Am- Proposed Rates	Cal Am > Cal PA	
Total Revenue	137,542.8	140,836.0	3,293.2	2.4%
Operation and Maintenance Expenses:				
Labor	9,586.5	10,348.0	761.5	7.9%
Purchased Water	64,640.8	51,178.2	(13,462.6)	-20.8%
Purchased Power	4,032.5	3,022.8	(1,009.7)	-25.0%
Chemicals	187.5	235.5	47.9	25.6%
Operation expense	817.6	2,032.0	1,214.4	148.5%
Maintenance (excluding Amortization of Tank Painting)	1,555.6	1,616.6	61.0	3.9%
Amortization of Tank Painting	386.8	387.0	0.1	0.0%
Customer Accounting	784.4	959.1	174.8	22.3%
Uncollectibles*	703.8	1,015.3	311.5	44.3%
General and Administrative Expenses:				
Insurance	1,179.1	1,163.7	(15.5)	-1.3%
Pensions and Benefits	2,432.2	2,511.1	78.9	3.2%
Regulatory Expense	286.8	299.9	13.1	4.6%
Rents	942.9	1,015.5	72.6	7.7%
Outside Services	828.5	875.6	47.1	5.7%
Other Administrative & General	3,644.9	3,865.7	220.8	6.1%
Subtotal	92,010.0	80,526.0	(11,484.0)	-12.5%
Service Company	899.8	6,125.5	5,225.8	580.8%
Citizens Acquisition Premium	1,669.8	1,669.8	0.0	0.0%
GO Return on Rate Base	1,589.6	2,854.0	1,264.4	79.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(5,413.4)	715.7	6,129.1	-113.2%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	90,755.7	91,891.0	1,135.3	1.3%
Depreciation	15,459.2	14,820.1	(639.1)	-4.1%
General Taxes	5,294.3	5,263.0	(31.3)	-0.6%
Total Operating Expenses	111,509.2	111,974.0	464.9	0.4%
Income before taxes	26,033.6	28,862.0	2,828.3	10.9%
State Income Taxes	1,692.7	1,879.9	187.3	11.1%
Federal Income Taxes	3,372.7	3,861.3	488.5	14.5%
Income After Tax	20,968.2	23,120.8	2,152.5	10.3%
Weighted Average Rate Base	275,536.1	303,874.6	28,338.6	10.3%
Return on Rate Base at Proposed Rates	7.61%	7.61%	0.00%	0.0%

SOUTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001

TABLE 1-1x
SUMMARY OF EARNINGS - ESCALATION YEAR >>> NOT RECOMMENDED ATTRITION YR SOE

Escalation Year 2025 (\$000)	Cal PA- Present Rates	Cal Am- Present Rates	Cal Am > Cal PA	
Total Revenue	137,852.0	141,101.5	3,249.5	2.4%
<u>Operation and Maintenance Expenses:</u>				
Labor	9,824.3	10,677.3	853.0	8.7%
Purchased Water	67,368.7	51,282.4	(16,086.3)	-23.9%
Purchased Power	4,270.6	3,027.4	(1,243.2)	-29.1%
Chemicals	193.2	246.7	53.5	27.7%
Operation expense	835.8	2,051.4	1,215.5	145.4%
Maintenance (excluding Amortization of Tank Paintin	1,602.6	1,665.5	62.9	3.9%
Amortization of Tank Painting	378.2	378.4	0.1	0.0%
Customer Accounting	808.1	988.1	180.1	22.3%
Uncollectibles*	705.4	1,025.2	319.8	45.3%
<u>General and Administrative Expenses:</u>				
Insurance	1,214.4	1,198.5	(15.9)	-1.3%
Pensions and Benefits	2,506.0	2,593.0	87.0	3.5%
Regulatory Expense	286.8	1,199.7	912.9	318.2%
Rents	957.5	1,030.2	72.8	7.6%
Outside Services	853.5	902.1	48.6	5.7%
Other Administrative & General	3,721.6	3,948.7	227.0	6.1%
Subtotal	95,526.8	82,214.6	(13,312.2)	-13.9%
Service Company	927.0	6,302.7	5,375.8	579.9%
Citizens Acquisition Premium	1,680.6	1,680.6	0.0	0.0%
GO Return on Rate Base	1,495.1	2,863.9	1,368.8	91.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(5,576.9)	1,332.2	6,909.1	-123.9%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	94,052.6	94,394.0	341.4	0.4%
Depreciation	16,266.9	16,046.2	(220.7)	-1.4%
General Taxes	5,481.8	5,721.1	239.4	4.4%
Total Operating Expenses	115,801.3	116,161.3	360.1	0.3%
Income before taxes	22,050.7	24,940.2	2,889.5	13.1%
State Income Taxes	1,320.7	1,420.8	100.1	7.6%
Federal Income Taxes	2,481.7	2,680.2	198.5	8.0%
Income After Tax	18,248.3	20,839.2	2,590.9	14.2%
Weighted Average Rate Base	284,526.0	354,569.2	70,043.2	24.6%
Return on Rate Base at Present Rates	6.41%	5.88%	-0.54%	-8.4%

Escalation Year 2025 (\$000)	Cal PA- Proposed Rates	Cal Am- Proposed Rates	Cal Am > Cal PA	
Total Revenue	142,728.8	149,899.3	7,170.5	5.0%
Operation and Maintenance Expenses:				
Labor	9,824.3	10,677.3	853.0	8.7%
Purchased Water	67,368.7	51,282.4	(16,086.3)	-23.9%
Purchased Power	4,270.6	3,027.4	(1,243.2)	-29.1%
Chemicals	193.2	246.7	53.5	27.7%
Operation expense	835.8	2,051.4	1,215.5	145.4%
Maintenance (excluding Amortization of Tank Painting)	1,602.6	1,665.5	62.9	3.9%
Amortization of Tank Painting	378.2	378.4	0.1	0.0%
Customer Accounting	808.1	988.1	180.1	22.3%
Uncollectibles*	730.3	1,071.0	340.7	46.7%
General and Administrative Expenses:				
Insurance	1,214.4	1,198.5	(15.9)	-1.3%
Pensions and Benefits	2,506.0	2,593.0	87.0	3.5%
Regulatory Expense	286.8	1,199.7	912.9	318.2%
Rents	957.5	1,030.2	72.8	7.6%
Outside Services	853.5	902.1	48.6	5.7%
Other Administrative & General	3,721.6	3,948.7	227.0	6.1%
Subtotal	95,551.7	82,260.4	(13,291.3)	-13.9%
Service Company	927.0	6,302.7	5,375.8	579.9%
Citizens Acquisition Premium	1,680.6	1,680.6	0.0	0.0%
GO Return on Rate Base	1,495.1	2,863.9	1,368.8	91.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(5,576.9)	1,332.2	6,909.1	-123.9%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	94,077.5	94,439.8	362.3	0.4%
Depreciation	16,266.9	16,046.2	(220.7)	-1.4%
General Taxes	5,481.8	5,721.1	239.4	4.4%
Total Operating Expenses	115,826.2	116,207.1	381.0	0.3%
Income before taxes	26,902.6	33,692.1	6,789.5	25.2%
State Income Taxes	1,749.6	2,194.5	444.9	25.4%
Federal Income Taxes	3,500.6	4,518.1	1,017.5	29.1%
Income After Tax	21,652.4	26,979.6	5,327.2	24.6%
Weighted Average Rate Base	284,526.0	354,569.2	70,043.2	24.6%
Return on Rate Base at Proposed Rates	7.61%	7.61%	0.00%	0.0%

**SOUTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 1-2
SUMMARY OF EARNINGS - ESCALATION YEARS**

For Illustrative Purposes (\$000)	Cal PA 2025	Cal PA 2026	2025 to 2026 Increase	
Total Revenue	142,728.8	144,953.4	2,224.6	1.6%
<u>Operation and Maintenance Expenses:</u>				
Labor	9,824.3	10,121.0	296.7	3.0%
Purchased Water	67,368.7	67,368.7	0.0	0.0%
Purchased Power	4,270.6	4,270.6	0.0	0.0%
Chemicals	193.2	199.0	5.8	3.0%
Operation expense	835.8	854.7	18.8	2.3%
Maintenance (excluding Amortization of Tank Painting)	1,602.6	1,637.4	34.8	2.2%
Amortization of Tank Painting	378.2	389.7	11.4	3.0%
Customer Accounting	808.1	832.5	24.4	3.0%
Uncollectibles	730.3	716.8	(13.5)	-1.8%
<u>General and Administrative Expenses:</u>				
Insurance	1,214.4	1,249.9	35.5	2.9%
Pensions and Benefits	2,506.0	2,581.7	75.7	3.0%
Regulatory Expense	286.8	286.8	0.0	0.0%
Rents	957.5	960.9	3.4	0.4%
Outside Services	853.5	878.7	25.2	3.0%
Other Administrative & General	3,721.6	3,822.4	100.8	2.7%
Subtotal	95,551.7	96,170.7	619.0	0.6%
Service Company	927.0	955.0	28.0	3.0%
Citizens Acquisition Premium	1,680.6	1,691.8	11.2	0.7%
GO Return on Rate Base	1,495.1	1,400.6	(94.5)	-6.3%
Other - Deceptive Pricing Adjustment and Return on T&D	(5,576.9)	(5,745.3)	(168.4)	3.0%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	94,077.5	94,472.8	395.3	0.4%
Depreciation	16,266.9	17,074.7	807.7	5.0%
General Taxes	5,481.8	5,604.1	122.4	2.2%
Total Operating Expenses	115,826.2	117,151.6	1,325.4	1.1%
Income before taxes	26,902.6	27,801.8	899.2	3.3%
Total Income Taxes	5,250.2	5,465.3	215.1	4.1%
Income After Tax	21,652.4	22,336.6	684.2	3.2%
Weighted Average Rate Base	284,526.0	293,516.0	8,990.0	3.2%
Return on Rate Base	7.61%	7.61%	0.0	0.0%

**SOUTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 2-1
AVERAGE WATER SALES PER CUSTOMER (OR PER CONNECTION)**

Test Year 2024 (CCF/connection/year)*	Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Water Sales:				
Residential	1,565.7	1,565.7	0.0	0.0%
Multiresidential	398.3	398.3	0.0	0.0%
Multiresidential (Mstr Mtr)	0.0	0.0	0.0	0.0%
Commercial	4,238.3	4,238.3	0.0	0.0%
Industrial	7,255.9	7,255.9	0.0	0.0%
Public Authority	8,750.2	8,750.2	0.0	0.0%
Sales for Resale	0.0	0.0	0.0	0.0%
Other	2,729.3	2,729.3	0.0	0.0%
Golf Courses	0.0	0.0	0.0	0.0%
Construction	407.2	407.2	0.0	0.0%
Irrigation Gravity	28,456.7	28,456.7	0.0	0.0%
Irrigation Pressure	0.0	0.0	0.0	0.0%
Private Fire	0.0	0.0	0.0	0.0%
Private Fire Mandated	0.0	0.0	0.0	0.0%
Public Fire	0.0	0.0	0.0	0.0%
Hotel	0.0	0.0	0.0	0.0%
Residential Flat	0.0	0.0	0.0	0.0%
Commercial (Flat)	0.0	0.0	0.0	0.0%
Unmetered	0.0	0.0	0.0	0.0%
Reserved	0.0	0.0	0.0	0.0%
Reserved	0.0	0.0	0.0	0.0%

Escalation Year 2025 (CCF/connection/year)*		Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Water Sales:					
	Residential	1,565.7	1,565.7	0.0	0.0%
	Multiresidential	398.3	398.3	0.0	0.0%
	Multiresidential (Mstr Mtr)	0.0	0.0	0.0	0.0%
	Commercial	4,238.3	4,238.3	0.0	0.0%
	Industrial	7,255.9	7,255.9	0.0	0.0%
	Public Authority	8,750.2	8,750.2	0.0	0.0%
	Sales for Resale	0.0	0.0	0.0	0.0%
	Other	2,729.3	2,729.3	0.0	0.0%
	Golf Courses	0.0	0.0	0.0	0.0%
	Construction	407.2	407.2	0.0	0.0%
	Irrigation Gravity	28,456.7	28,456.7	0.0	0.0%
	Irrigation Pressure	0.0	0.0	0.0	0.0%
	Private Fire	0.0	0.0	0.0	0.0%
	Private Fire Mandated	0.0	0.0	0.0	0.0%
	Public Fire	0.0	0.0	0.0	0.0%
	Hotel	0.0	0.0	0.0	0.0%
	Residential Flat	0.0	0.0	0.0	0.0%
	Commercial (Flat)	0.0	0.0	0.0	0.0%
	Unmetered	0.0	0.0	0.0	0.0%
	Reserved	0.0	0.0	0.0	0.0%
	Reserved	0.0	0.0	0.0	0.0%

**SOUTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 2-2
AVERAGE NUMBER OF CUSTOMERS (SERVICE CONNECTIONS)**

Test Year 2024	Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Customers (Service Connections):				
Residential	68,930	68,943	13	0%
Multiresidential	0	0	0	0%
Multiresidential (Mstr Mtr)	0	0	0	0%
Commercial	6,324	6,330	6	0%
Industrial	244	248	4	2%
Public Authority	758	760	2	0%
Sales for Resale	0	0	0	0%
Other	55	58	3	5%
Golf Courses	0	0	0	0%
Construction	1	1	0	0%
Irrigation Gravity	2	2	0	0%
Irrigation Pressure	0	0	0	0%
Private Fire	0	0	0	0%
Private Fire Mandated	0	0	0	0%
Private Fire Protection Service	1,209	1,302	93	8%
Hotel	0	0	0	0%
Residential Flat	0	0	0	0%
Commercial (Flat)	0	0	0	0%
Unmetered	0	0	0	0%
Reserved	0	0	0	0%
Reserved	0	0	0	0%
Total	77,523	77,644	121	0%

Escalation Year 2025		Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Customers (Service Connections):					
	Residential	69,086	69,104	18	0%
	Multiresidential	0	0	0	0%
	Multiresidential (Mstr Mtr)	0	0	0	0%
	Commercial	6,338	6,346	8	0%
	Industrial	246	251	5	2%
	Public Authority	754	756	2	0%
	Sales for Resale	0	0	0	0%
	Other	60	63	3	5%
	Golf Courses	0	0	0	0%
	Construction	1	1	0	0%
	Irrigation Gravity	2	2	0	0%
	Irrigation Pressure	0	0	0	0%
	Private Fire	0	0	0	0%
	Private Fire Mandated	0	0	0	0%
	Private Fire Protection Service	1,217	1,346	129	11%
	Hotel	0	0	0	0%
	Residential Flat	0	0	0	0%
	Commercial (Flat)	0	0	0	0%
	Unmetered	0	0	0	0%
	Reserved	0	0	0	0%
	Reserved	0	0	0	0%
	Total	77,704	77,869	36	7%

**SOUTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 2-3
TOTAL SALES AND SUPPLY**

Test Year 2024 (KCCF)	Cal PA	Cal Am	Cal Am > Cal PA	
Metered Customers				
Residential	12,021,262	10,176,863	(1,844,399)	-15%
Multiresidential	0	0	0	0%
Multiresidential (Mstr Mtr)	0	0	0	0%
Commercial	4,628,023	4,192,464	(435,559)	-9%
Industrial	667,343	601,540	(65,803)	-10%
Public Authority	1,436,385	1,237,989	(198,396)	-14%
Sales for Resale	0	0	0	0%
Other	28,391	15,044	(13,347)	-47%
Golf Courses	0	0	0	0%
Construction	1,039	366	(673)	-65%
Irrigation Gravity	0	0	0	0%
Irrigation Pressure	0	0	0	0%
Private Fire	0	0	0	0%
Private Fire Mandated	0	0	0	0%
Private Fire Protection Service	0	0	0	0%
Hotel	0	0	0	0%
Residential Flat	0	0	0	0%
Commercial (Flat)	0	0	0	0%
Unmetered	0	0	0	0%
Reserved	0	0	0	0%
Reserved	0	0	0	0%
Total Sales	18,782,443	16,224,266	(2,558,177)	-14%

Escalation Year 2025 (KCCF)		Cal PA	Cal Am	Cal Am > Cal PA	
Metered Customers (Service Connections):					
	Residential	12,044,045	10,195,731	(1,848,314)	-15%
	Multiresidential	0	0	0	0%
	Multiresidential (Mstr Mtr)	0	0	0	0%
	Commercial	4,641,883	4,203,627	(438,256)	-9%
	Industrial	674,853	607,534	(67,319)	-10%
	Public Authority	1,428,787	1,231,121	(197,666)	-14%
	Sales for Resale	0	0	0	0%
	Other	30,411	15,982	(14,429)	-47%
	Golf Courses	0	0	0	0%
	Construction	1,039	366	(673)	-65%
	Irrigation Gravity	0	0	0	0%
	Irrigation Pressure	0	0	0	0%
	Private Fire	0	0	0	0%
	Private Fire Mandated	0	0	0	0%
	Private Fire Protection Service	0	0	0	0%
	Hotel	0	0	0	0%
	Residential Flat	0	0	0	0%
	Commercial (Flat)	0	0	0	0%
	Unmetered	0	0	0	0%
	Reserved	0	0	0	0%
	Reserved	0	0	0	0%
	Total Sales	18,821,018	16,254,361	(2,566,657)	-14%

SOUTHERN DIVISION				
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001				
TABLE 2-4				
OPERATING REVENUES AT PRESENT RATES				
Test Year 2024 (\$)	Cal PA	Cal Am	Cal Am > Cal PA	
METERED SALES REVENUE				
Residential	90,770,602	79,082,976	#####	-12.9%
Multiresidential	0	0	0.0	0.0%
Multiresidential (Mstr Mtr)	0	0	0.0	0.0%
Commercial	36,281,194	33,324,241	(2,956,953.0)	-8.2%
Industrial	4,747,705	4,327,580	(420,125.0)	-8.8%
Public Authority	11,436,056	10,118,237	(1,317,819.0)	-11.5%
Sales for Resale	0	0	0.0	0.0%
Other	276,857	176,419	(100,438.0)	-36.3%
Golf Courses	0	0	0.0	0.0%
Construction	9,904	5,494	(4,410.0)	-44.5%
Irrigation Gravity	119,028	127,335	8,307.0	7.0%
Irrigation Pressure	0	0	0.0	0.0%
Residential Fire Protection Service	373,262	386,416	13,154.0	3.5%
Private Fire Mandated	0	0	0.0	0.0%
Private Fire Protection Service	993,507	939,872	(53,635.0)	-5.4%
Hotel	0	0	0.0	0.0%
Reserved	0	0	0.0	0.0%
Total Metered Revenues	145,008,115	128,488,570	(16,519,545)	-11.4%
NON-METERED REVENUE				
Residential Flat	0	0	0.0	0.0%
Commercial (Flat)	0	0	0.0	0.0%
Unmetered	0	0	0.0	0.0%
Reserved	0	0	0.0	0.0%
Total Non-Metered Revenue	0.0	0.0	0.0	0.0%
OTHER REVENUE				
Method 5 Revenues	0	0	0.0	0.0%
Contract Revenues	0	0	0.0	0.0%
Antenna Leases	0	0	0.0	0.0%
Additional NTPS Rev	0	0	0.0	0.0%
Misc Service Revenues	0	0	0.0	0.0%
Late Payment Penalty	0	0	0.0	0.0%
Rents	0	0	0.0	0.0%
Leak Adjustments	0	0	0.0	0.0%
DSIC	0	0	0.0	0.0%
Other	276,857	176,419	(100,438.0)	-36.3%
Subtotal Other Revenue	276,857	176,419	(100,438)	-36.3%
TOTAL OPERATING REVENUES	145,284,972	128,664,989	#####	-11.4%
Total Revenues at Present Rates, TY 2024	145,284,972	128,664,989	#####	-11.4%

Escalation Year 2025 (\$)		Cal PA	Cal Am	Cal Am > Cal PA	
METERED SALES REVENUE					
	Residential	86,551,342	84,576,182	(1,975,160)	-2.3%
	Multiresidential	0	0	0	0.0%
	Multiresidential (Mstr Mtr)	0	0	0	0.0%
	Commercial	33,815,330	38,145,535	4,330,205	12.8%
	Industrial	4,444,403	4,870,957	426,554	9.6%
	Public Authority	10,415,944	11,122,109	706,165	6.8%
	Sales for Resale	0	0	0	0.0%
	Other	292,068	271,832	(20,236)	-6.9%
	Golf Courses	0	0	0	0.0%
	Construction	3,694	5,568	1,874	50.7%
	Irrigation Gravity	115,894	151,277	35,383	30.5%
	Irrigation Pressure	0	0	0	0.0%
	Residential Fire Protection Service	532,917	527,757	(5,160)	-1.0%
	Private Fire Mandated	0	0	0	0.0%
	Private Fire Protection Service	1,130,154	1,053,480	(76,674)	-6.8%
	Hotel	0	0	0	0.0%
	Reserved	0	0	0	0.0%
	Total Metered Revenues	137,301,746	140,724,697	3,422,951	2.5%
NON-METERED REVENUE					
	Residential Flat	0	0	0	0.0%
	Commercial (Flat)	0	0	0	0.0%
	Unmetered	0	0	0	0.0%
	Res Reserved	0	0	0	0.0%
	Total Non-Metered Revenue	0.0	0.0	0	0.0%
OTHER REVENUE					
	Method 5 Revenues	0	0	0	0.0%
	Contract Revenues	0	0	0	0.0%
	Antenna Leases	0	0	0	0.0%
	Additional NTPS Rev	0	0	0	0.0%
	Misc Service Revenues	0	0	0	0.0%
	Late Payment Penalty	0	0	0	0.0%
	Rents	0	0	0	0.0%
	Leak Adjustments	0	0	0	0.0%
	DSIC	0	0	0	0.0%
	Other	292,068	271,832	(20,236)	-6.9%
	Total Other Revenues	292,068	271,832	(20,236)	-6.9%
TOTAL OPERATING REVENUES		137,593,814	140,996,529	3,402,715	2.5%
Total Rev at Present Rates, EY 2025		137,593,814	140,996,529	3,402,715	2.5%

**SOUTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 3-1
OPERATIONS & MAINTENANCE EXPENSES - TEST YEAR**

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
<u>Expenses(Operation, Maintenance, and A&G):</u>				
Labor	9,586.5	10,348.0	761.5	7.9%
Purchased Water	64,640.8	51,178.2	(13,462.6)	-20.8%
Purchased Power	4,032.5	3,022.8	(1,009.7)	-25.0%
Chemicals	187.5	235.5	47.9	25.6%
Operation Expense	817.6	2,032.0	1,214.4	148.5%
Maintenance Expense (excluding Amort Tank Paintin	1,555.6	1,616.6	61.0	3.9%
Amortization of Tank Painting	386.8	387.0	0.1	0.0%
Customer Accounting	784.4	959.1	174.8	22.3%
Insurance (Property and Injuries & Damages)	1,179.1	1,163.7	(15.5)	-1.3%
Pensions and Benefits	2,432.2	2,511.1	78.9	3.2%
Regulatory Expense	286.8	299.9	13.1	4.6%
Rents	942.9	1,015.5	72.6	7.7%
Other Administrative and General	3,644.9	3,865.7	220.8	6.1%
Subtotal	<u>90,477.7</u>	<u>78,635.1</u>	(11,842.6)	-13.1%
Service Company	899.8	6,125.5	5,225.8	580.8%
Citizens Acquisition Premium	1,669.8	1,669.8	0.0	0.0%
GO Return on Rate Base	1,589.6	2,854.0	1,264.4	79.5%
SS Pricing Adjustment	(5,413.4)	-	5,413.4	-100.0%
Return on T&D Net Plant Consolidation	-	715.7	715.7	0.0%
Reserved	-	-	0.0	0.0%
Total Expenses excluding Uncollectibles	<u>89,223.5</u>	<u>90,000.1</u>	<u>776.6</u>	<u>0.9%</u>
<u>At Present Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	145,558.1	128,865.1	(16,693.0)	-11.5%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	744.8	671.0	(73.9)	-9.9%
Leak Adjustment - Uncollectibles	0.0	409.6	409.6	0.0%
Total Uncollectibles Expense	744.8	1,080.5	335.7	45.1%
Total Expenses including Uncollectibles (at Present Rate)	<u>89,968.3</u>	<u>91,080.6</u>	<u>1,112.3</u>	<u>1.2%</u>
<u>At Proposed Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	137,542.8	140,836.0	3,293.2	2.4%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	703.8	733.3	29.5	4.2%
Leak Adjustment - Uncollectibles	0.0	409.6	409.6	0.0%
Total Uncollectibles Expense	703.8	1,142.8	439.0	62.4%
Total Expenses including Uncollectibles (at Proposed Rate)	<u>89,927.3</u>	<u>91,142.9</u>	<u>1,215.7</u>	<u>1.4%</u>

**SOUTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 3-2
OPERATIONS & MAINTENANCE EXPENSES - ESCALATION YEAR**

Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
<u>Expenses(Operation, Maintenance, and A&G):</u>				
Labor	9,824.3	10,677.3	853.0	8.7%
Purchased Water	67,368.7	51,282.4	(16,086.3)	-23.9%
Purchased Power	4,270.6	3,027.4	(1,243.2)	-29.1%
Chemicals	193.2	246.7	53.5	27.7%
Operation Expense	835.8	2,051.4	1,215.5	145.4%
Maintenance Expense (excluding Amort Tank Paintin	1,602.6	1,665.5		
Amortization of Tank Painting	378.2	378.4		
Customer Accounting	808.1	988.1	180.1	22.3%
Insurance (Property and Injuries & Damages)	1,214.4	1,198.5	(15.9)	-1.3%
Pensions and Benefits	2,506.0	2,593.0	87.0	3.5%
Regulatory Expense	286.8	1,199.7	912.9	318.2%
Rents	957.5	1,030.2	72.8	7.6%
Other Administrative and General	3,721.6	3,948.7	227.0	6.1%
Subtotal	<u>93,967.9</u>	<u>80,287.3</u>	(13,680.6)	-14.6%
Service Company	927.0	6,302.7	5,375.8	579.9%
Citizens Acquisition Premium	1,680.6	1,680.6	0.0	0.0%
GO Return on Rate Base	1,495.1	2,863.9	1,368.8	91.5%
SS Pricing Adjustment	(5,576.9)	-		
Return on T&D Net Plant Consolidation	-	1,332.2		
Reserved	-	-		
Total O&M excluding Uncollectibles	<u>92,493.7</u>	<u>92,466.7</u>	<u>(27.0)</u>	<u>0.0%</u>
<u>At Present Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	137,852.0	141,101.5	3,249.5	2.4%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	705.4	734.7	29.3	4.1%
Leak Adjustment - Uncollectibles	0.0	421.9	421.9	0.0%
Total Uncollectibles Expense	705.4	1,156.6	451.2	64.0%
Total O&M Expenses including Uncollectibles (at Present Rate)	<u>93,199.1</u>	<u>93,623.3</u>	<u>424.2</u>	<u>0.5%</u>
<u>At Proposed Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	142,728.8	149,899.3	7,170.5	5.0%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	730.3	780.5	50.1	6.9%
Leak Adjustment - Uncollectibles	0.0	421.9	421.9	0.0%
Total Uncollectibles Expense	730.3	1,202.4	472.1	64.6%
Total O&M Expenses including Uncollectibles (at Proposed Rate)	<u>93,224.1</u>	<u>93,669.1</u>	<u>445.1</u>	<u>0.5%</u>

SOUTHERN DIVISION				
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001				
TABLE 4-1				
TOTAL EXPENSES EXCLUDING PAYROLL				
(For Information Only)				
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operation Expenses (Excluding Payroll):				
702 SS Operation Labor and Expenses	0.0	0.0	0.0	0.0%
703 SS Miscellaneous Expenses	15.9	16.8	0.9	5.6%
704 SS Purchased Water	64,640.8	51,178.2	(13,462.6)	-20.8%
722 PP Power production Labor and Exp	0.0	0.0	0.0	0.0%
724 PP Pumping Labor and Expenses	0.0	0.0	0.0	0.0%
725 PP Miscellaneous Expenses	1.6	1.7	0.1	6.6%
726 PP Fuel or Power Purchased for Pumping	4,032.5	3,022.8	(1,009.7)	-25.0%
742 WT Operation Labor and Expenses	2.6	2.7	0.1	3.9%
743 WT Miscellaneous Expenses	342.1	365.3	23.2	6.8%
744 WT Chemicals and Filtering Materials	187.5	235.5	47.9	25.6%
752 TD Storage Facilities Expenses	0.0	580.0	580.0	0.0%
753 TD Transmission and Distribution	5.3	5.6	0.3	6.3%
754 TD Meter Expenses	5.4	5.8	0.3	6.4%
755 TD Customer Installations Expense	0.0	0.0	0.0	0.0%
756 TD Miscellaneous Expenses	444.6	1,054.1	609.5	137.1%
772 CA Meter Reading Expenses	0.7	0.7	0.0	1.8%
773 CA Customer Records and Collection	250.4	264.2	13.8	5.5%
774 CA Miscellaneous Customer Account	533.3	694.3	161.0	30.2%
775 CA Uncollectible Accounts	744.8	953.0	208.1	27.9%
999 Divisional Allocation	0.0	0.0	0.0	0.0%
Total Operation Expenses (Excluding Payroll)	71,207.6	58,380.5	(12,827.0)	-18.0%
Maintenance Expense				
707 SS Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
708 SS Maint of Collecting and Imp Resrv	0.0	0.0	0.0	0.0%
709 SS Maintenance of Lake, River and Intakes	0.0	0.0	0.0	0.0%
710 SS Maintenance of Springs and Tunnels	0.0	0.0	0.0	0.0%
711 SS Maintenance of Wells	0.0	0.0	0.0	0.0%
712 SS Maintenance of Supply Mains	0.0	0.0	0.0	0.0%
713 SS Maintenance of Other Source of Supply	99.7	105.7	6.0	6.0%
730 PP Maintenance of Structures and Impr	0.5	0.5	0.0	6.4%
731 PP Maintenance of Power Production	0.0	0.0	0.0	0.0%
733 PP Maintenance of Other Pumping	1.9	2.0	0.1	6.4%
747 WT Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
748 WT Maintenance of Wter Treatment	166.7	166.7	0.0	0.0%
759 TD Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
760 TD Maintenance of Reservoirs and Tanks	(1.3)	(1.3)	(0.1)	6.4%
761 TD Maintenance of Transmission and Distr	27.9	29.6	1.8	6.3%
762 TD Maintenance of Fire Mains	0.0	0.0	0.0	0.0%
763 TD Maintenance of Services	28.7	30.5	1.8	6.2%
764 TD Maintenance of Meters	6.0	6.3	0.4	6.1%
765 TD Maintenance of Hydrants	2.3	2.4	0.1	5.7%
766 TD Maintenance of Miscellaneous Plant	1,610.2	1,661.3	51.1	3.2%
Total Maintenance Expense	1,942.4	2,003.6	61.2	3.1%
Administrative & General Expenses:				
791 AG Admin and General Salaries	0.0	0.0	0.0	0.0%
792 AG Office Supplies and Other Exp	253.6	261.8	8.2	3.2%
793 AG Property Insurance	370.9	370.9	0.0	0.0%
794 AG Injuries and Damages	808.2	792.8	(15.5)	-1.9%
795 AG Employees' Pensions and Benefits	2,432.2	2,511.1	78.9	3.2%
797 AG Regulatory Commission Expenses	286.8	299.9	13.1	4.6%
798 AG Outside Services Employed	828.5	875.6	47.1	5.7%
799 AG Miscellaneous General Expenses	3,129.0	3,325.3	196.3	6.3%
805 AG Maintenance of General Plant	262.2	278.5	16.3	6.2%
811 AG Rents	942.9	1,015.5	72.6	7.7%
Total Administrative and General Expenses	9,314.5	9,731.5	417.1	4.5%

Escalation Year 2025 (\$000)		Cal PA	Cal Am	Cal Am > Cal PA	
<u>Operation Expenses (Excluding Payroll):</u>					
702	SS Operation Labor and Expenses	0.0	0.0	0.0	0.0%
703	SS Miscellaneous Expenses	16.4	17.3	0.9	5.6%
704	SS Purchased Water	67,368.7	51,282.4	(16,086.3)	-23.9%
722	PP Power production Labor and Exp	0.0	0.0	0.0	0.0%
724	PP Pumping Labor and Expenses	0.0	0.0	0.0	0.0%
725	PP Miscellaneous Expenses	1.7	1.8	0.1	6.6%
726	PP Fuel or Power Purchased for Pumping	4,270.6	3,027.4	(1,243.2)	-29.1%
742	WT Operation Labor and Expenses	2.7	2.8	0.1	3.9%
743	WT Miscellaneous Expenses	352.5	376.3	23.9	6.8%
744	WT Chemicals and Filtering Materials	193.2	246.7	53.5	27.7%
752	TD Storage Facilities Expenses	0.0	580.0	580.0	0.0%
753	TD Transmission and Distribution	5.4	5.8	0.3	6.3%
754	TD Meter Expenses	5.6	5.9	0.4	6.4%
755	TD Customer Installations Expense	0.0	0.0	0.0	0.0%
756	TD Miscellaneous Expenses	451.6	1,061.5	609.9	135.0%
772	CA Meter Reading Expenses	0.7	0.7	0.0	1.8%
773	CA Customer Records and Collection	258.0	272.2	14.2	5.5%
774	CA Miscellaneous Customer Account	549.4	715.2	165.8	30.2%
775	CA Uncollectible Accounts	705.4	1,025.2	319.8	45.3%
999	Divisional Allocation	0.0	0.0	0.0	0.0%
Total Operation Expenses (Excluding Payroll)		74,181.8	58,621.2	(15,560.6)	-21.0%
<u>Maintenance Expense</u>					
707	SS Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
708	SS Maint of Collecting and Imp Resrv	0.0	0.0	0.0	0.0%
709	SS Maintenance of Lake, River and Intakes	0.0	0.0	0.0	0.0%
710	SS Maintenance of Springs and Tunnels	0.0	0.0	0.0	0.0%
711	SS Maintenance of Wells	0.0	0.0	0.0	0.0%
712	SS Maintenance of Supply Mains	0.0	0.0	0.0	0.0%
713	SS Maintenance of Other Source of Supply	102.7	108.8	6.2	6.0%
730	PP Maintenance of Structures and Impr	0.5	0.5	0.0	6.4%
731	PP Maintenance of Power Production	0.0	0.0	0.0	0.0%
733	PP Maintenance of Other Pumping	1.9	2.0	0.1	6.4%
747	WT Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
748	WT Maintenance of Wter Treatment	171.7	171.8	0.0	0.0%
759	TD Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
760	TD Maintenance of Reservoirs and Tanks	(1.3)	(1.4)	(0.1)	6.4%
761	TD Maintenance of Transmission and Distr	28.7	30.5	1.8	6.3%
762	TD Maintenance of Fire Mains	0.0	0.0	0.0	0.0%
763	TD Maintenance of Services	29.6	31.4	1.8	6.2%
764	TD Maintenance of Meters	6.1	6.5	0.4	6.1%
765	TD Maintenance of Hydrants	2.3	2.5	0.1	5.7%
766	TD Maintenance of Miscellaneous Plant	1,638.6	1,691.2	52.6	3.2%
Total Maintenance Expense		1,980.8	2,043.8	63.0	3.2%
<u>Administrative & General Expenses:</u>					
791	Salaries	0.0	0.0	0.0	0.0%
792	Office Supplies	258.1	266.6	8.5	3.3%
793	Property Insurance	382.0	382.0	0.0	0.0%
794	Injuries and Damages	832.5	816.5	(15.9)	-1.9%
795	Pensions,Benefits & PBOP	2,506.0	2,593.0	87.0	3.5%
797	Regulatory Commission	286.8	1,199.7	912.9	318.2%
798	Outside Services	853.5	902.1	48.6	5.7%
799	General Corporate	3,193.4	3,395.1	201.8	6.3%
805	Dues & Membership	270.1	286.9	16.8	6.2%
811	Rents	957.5	1,030.2	72.8	7.6%
Total Administrative and General Expenses		9,539.9	10,872.2	1,332.3	14.0%

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**TABLE 5-1
TAXES OTHER THAN INCOME**

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
OTHER TAXES				
Ad Valorem	4,517.9	4,487.9	(29.9)	-0.7%
Franchise Taxes	0.0	0.0	0.0	0.0%
Payroll Taxes	721.4	716.8	(4.6)	-0.6%
Other	55.0	58.2	3.2	5.8%
Non-Utility	0.0	0.0	0.0	0.0%
Total Taxes Other Than Income, At Proposed Rates	5,294.3	5,263.0	(31.3)	-0.6%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
OTHER TAXES				
Ad Valorem	4,689.4	4,925.8	236.4	5.0%
Franchise Taxes	0.0	0.0	0.0	0.0%
Payroll Taxes	735.7	735.4	(0.3)	0.0%
Other	56.7	60.0	3.3	5.8%
Non-Utility	0.0	0.0	0.0	0.0%
Total Taxes Other Than Income, At Proposed Rates	5,481.8	5,721.1	239.4	4.4%

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TABLE 6-1
TAXES BASED ON INCOME - TEST YEAR AT PRESENT RATES

For Illustrative Purposes (\$000)				
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenue at Present Rates	145,558.1	128,865.1	(16,693.0)	-11.5%
Deductions:				
Operating Exps less uncollectibles	89,223.5	90,000.1	776.6	0.9%
Uncollectibles	744.8	1,080.5	335.7	45.1%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	15,459.2	14,820.1	(639.1)	-4.1%
Interest Expense	6,916.0	7,627.3	711.3	10.3%
General Taxes	5,294.3	5,263.0	(31.3)	-0.6%
Non-deductible Meals	(41.7)	(41.7)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	117,596.0	118,749.2	1,153.2	1.0%
Total Deductions for State Tax	117,596.0	118,749.2	1,153.2	1.0%
Taxable Income - State	27,962.1	10,115.9	(17,846.2)	-63.8%
State Income Tax @ (see below)	2,471.8	894.2	(1,577.6)	-63.8%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	2,471.8	894.2	(1,577.6)	-63.8%
Estimated State tax for 2023	1,503.6	351.1	(1,152.5)	-76.7%
Taxable Income - Federal	26,458.5	9,764.9	(16,693.7)	-63.1%
Federal Income Tax @ (See below)	5,556.3	2,050.6	(3,505.7)	-63.1%
Less: Amort Deferred Federal ITC	(21.2)	(21.2)	0.0	0.0%
FEDERAL INCOME TAX	5,535.1	2,029.4	(3,505.7)	-63.3%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	<i>0.0%</i>	<i>0.0%</i>
Total Income Taxes for Revenues at Present Rates	8,006.9	2,923.7	(5,083.3)	-63.5%

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**TABLE 6-2
TAXES BASED ON INCOME - TEST YEAR AT PROPOSED RATES**

For Illustrative Purposes (\$000)				
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenue at Proposed Rates	137,542.8	140,836.0	3,293.2	2.4%
Deductions:				
Operating Expenses excluding uncollectibles	89,223.5	90,000.1	776.6	0.9%
Uncollectibles	703.8	1,142.8	439.0	62.4%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	15,459.2	14,820.1	(639.1)	-4.1%
Interest Expense	6,916.0	7,627.3	711.3	10.3%
General Taxes	5,294.3	5,263.0	(31.3)	-0.6%
Non-deductible Meals	(41.7)	(41.7)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	117,555.0	118,811.5	1,256.5	1.1%
Total Deductions for State Tax	117,555.0	118,811.5	1,256.5	1.1%
Taxable Income - State	19,987.8	22,024.5	2,036.6	10.2%
State Income Tax @8.84%	1,766.9	1,947.0	180.0	10.2%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	1,766.9	1,947.0	180.0	10.2%
Estimated State tax for 2023	1,503.6	351.1	(1,152.5)	-76.7%
Taxable Income - Federal	18,484.3	21,673.4	3,189.2	17.3%
Federal Income Tax @21%	3,881.7	4,551.4	669.7	17.3%
Less: Amort Deferred Federal ITC	(21.2)	(21.2)	0.0	0.0%
FEDERAL INCOME TAX	3,860.5	4,530.2	669.7	17.3%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	<i>0.0%</i>	<i>0.0%</i>
Total Income Taxes for Revenues at Proposed Rates	5,627.4	6,477.2	849.8	15.1%

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TABLE 6-3
TAXES BASED ON INCOME - ESCALATION YEAR AT PRESENT RATES

For Illustrative Purposes (\$000)				
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenues at Present Rates	137,852.0	141,101.5	3,249.5	2.4%
Deductions:				
Operating Expenses excluding uncollectibles	92,493.7	92,466.7	(27.0)	0.0%
Uncollectibles	705.4	734.7	29.3	4.1%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	16,266.9	16,046.2	(220.7)	-1.4%
Interest Expense	7,141.6	8,899.7	1,758.1	24.6%
General Taxes	5,481.8	5,721.1	239.4	4.4%
Non-deductible Meals	(42.9)	(42.9)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	122,046.4	123,825.5	1,779.0	1.5%
Total Deductions for State Tax	122,046.4	123,825.5	1,779.0	1.5%
Taxable Income - State	15,805.5	17,276.0	1,470.5	9.3%
State Income Tax @ (see below)	1,397.2	1,527.2	130.0	9.3%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	1,397.2	1,527.2	130.0	9.3%
Estimated State tax for 2024	2,471.8	894.2	(1,577.6)	-63.8%
Taxable Income - Federal	13,333.7	16,381.8	3,048.1	22.9%
Federal Income Tax @ (See below)	2,800.1	3,440.2	640.1	22.9%
Less: Amort Deferred Federal ITC	(21.2)	(21.2)	0.0	0.0%
FEDERAL INCOME TAX	2,778.9	3,419.0	640.1	23.0%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	<i>0.0%</i>	<i>0.0%</i>
Total Income Taxes for Revenues at Present Rates	4,176.1	4,946.2	770.1	18.4%

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**TABLE 6-4
TAXES BASED ON INCOME - ESCALATION YEAR AT PROPOSED RATES**

For Illustrative Purposes (\$000)				
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenues at Proposed Rates	142,728.8	149,899.3	7,170.5	5.0%
Deductions:				
Operating Exps less uncollectibles	92,493.7	92,466.7	(27.0)	0.0%
Uncollectibles	730.3	1,202.4	472.1	64.6%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	16,266.9	16,046.2	(220.7)	-1.4%
Interest Expense	7,141.6	8,899.7	1,758.1	24.6%
General Taxes	5,481.8	5,721.1	239.4	4.4%
Non-deductible Meals	(42.9)	(42.9)	(0.0)	0.0%
Total Deductions				
Federal	122,071.4	124,293.2	2,221.8	1.8%
State	122,071.4	124,293.2	2,221.8	1.8%
Taxable Income - State	20,657.4	25,606.1	4,948.7	24.0%
State Income Tax @ (see below)	1,826.1	2,263.6	437.5	24.0%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	1,826.1	2,263.6	437.5	24.0%
Estimated State tax for 2024	1,766.9	1,947.0	180.0	10.2%
Taxable Income - Federal	18,890.5	23,659.1	4,768.6	25.2%
Federal Income Tax @ (See below)	3,967.0	4,968.4	1,001.4	25.2%
Less: Amort Deferred Federal ITC	(21.2)	(21.2)	0.0	0.0%
FEDERAL INCOME TAX	3,945.8	4,947.2	1,001.4	25.4%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	<i>0.0%</i>	<i>0.0%</i>
Total Income Taxes for Revenues at Proposed Rates	5,771.9	7,210.8	1,438.9	24.9%

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TABLE 7-1
UTILITY PLANT IN SERVICE

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Plant in Service - Beginning of Year	497,461.4	481,898.0	(15,563.4)	-3.1%
Gross Additions during a year	18,548.4	38,435.6	19,887.2	107.2%
Retirement and Other Adjustments:				
Retirements	553.1	914.6	361.5	65.4%
Sales and Adjustments	0.0	0.0	0.0	0.0%
Capitalized Interest During Construction	0.0	0.0	0.0	0.0%
Net Additions	17,995.3	37,521.0	19,525.7	108.5%
Construction Work in Progress Beginning Balance	(9,170.2)	11,098.0	20,268.2	-221.0%
Construction Work in Progress Ending Balance	(4,735.0)	32,945.3	37,680.4	-795.8%
Construction Work in Progress Net Additions	4,435.2	21,847.3	17,412.1	392.6%
Plant in Service - End of Year	515,456.8	519,419.0	3,962.3	0.8%
<i>Plant Weighting Factor</i>	<i>49.54%</i>	<i>45.09%</i>	<i>-4.5%</i>	<i>-9.0%</i>
Weighted Average Plant in Service	499,403.3	519,765.2	20,361.9	4.1%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Plant in Service - Beginning of Year	515,456.8	519,419.0	3,962.3	0.8%
Gross Additions during a year	25,382.9	51,124.0	25,741.1	101.4%
Retirement and Other Adjustments:				
Retirements	623.6	1,007.5	383.9	61.6%
Sales and Adjustments	0.0	0.0	0.0	0.0%
Capitalized Interest During Construction	0.0	0.0	0.0	0.0%
Net Additions	24,759.4	50,116.5	25,357.2	102.4%
Construction Work in Progress Beginning Balance	(4,735.0)	32,945.3	37,680.4	-795.8%
Construction Work in Progress Ending Balance	(1,926.0)	56,281.7	58,207.7	-3022.3%
Construction Work in Progress Net Additions	2,809.1	23,336.4	20,527.4	730.8%
Plant in Service - End of Year	540,216.1	569,535.6	29,319.4	5.4%
<i>Plant Weighting Factor</i>	<i>49.54%</i>	<i>45.09%</i>	<i>-4.5%</i>	<i>-9.0%</i>
Weighted Average Plant in Service	524,379.1	585,484.3	61,105.2	11.7%

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TABLE 8-1
DEPRECIATION RESERVE & EXPENSE

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Depreciation Reserve - Beginning of Year	142,211.6	136,711.6	(5,500.0)	-3.9%
Annual Accruals including Contribution Depreciation	14,411.8	13,418.3	(993.5)	-6.9%
Retirements/Debits to Depreciation	553.1	914.6	361.5	65.4%
(Salvage) Cost of Removal	(1,485.9)	(1,485.9)	0.0	0.0%
Depreciation Reserve Adjustment	0.0	0.0	0.0	0.0%
Net Acual	12,372.8	11,017.7	(1,355.0)	-11.0%
Depreciation Reserve - End of Year	154,584.4	147,729.4	(6,855.0)	-4.4%
<i>Depreciation Reserve Weighting Factor (6-Year Average)</i>	<i>51.12%</i>	<i>51.12%</i>	0.0%	0.0%
Weighted Average Addition	6,325.0	5,632.3	-69268.8%	-11.0%
Weighted Average Depreciation Reserve	148,536.6	142,343.9	(6,192.7)	-4.2%
<i>Deprec. expense related to CIAC</i>	994.8	994.8	0.0	0.0%
<i>Allocated GO Depreciation Expense</i>	15,459.2	14,820.1	(639.1)	-4.1%
<i>Deprec. expense for summary of earnings calc.</i>	28,876.2	27,243.6	(1,632.6)	-5.7%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Depreciation Reserve - Beginning of Year	154,584.4	147,729.4	(6,855.0)	-4.4%
Annual Accruals including Contribution Depreciation	15,126.3	14,461.7	(664.6)	-4.4%
Retirements/Debits to Depreciation	623.6	1,007.5	383.9	61.6%
Salvage/Cost of Removal	(1,420.7)	(1,420.7)	0.0	0.0%
Depreciation Reserve Adjustment	0.0	0.0	0.0	0.0%
Net Acual	13,082.1	12,033.5	(1,048.5)	-8.0%
Depreciation Reserve - End of Year	167,666.5	159,762.9	(7,903.6)	-4.7%
<i>Depreciation Reserve Weighting Factor (6-Year Average)</i>	<i>51.12%</i>	<i>51.12%</i>	0.0%	0.0%
Weighted Average Depreciation Reserve	161,272.0	153,880.9	(7,391.0)	-4.6%
<i>Deprec. expense related to CIAC</i>	1,011.4	1,011.4	0.0	0.0%
<i>Allocated GO Depreciation Expense</i>	16,266.9	16,046.2	(220.7)	-1.4%
<i>Deprec. expense for summary of earnings calc.</i>	30,381.8	29,496.5	-88531.9%	-2.9%

**SOUTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 9-1
WEIGHTED AVERAGE RATE BASE - TEST YEAR**

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Weighted Average Plant In Service including adv for construction	499,403.3	519,765.2	20,361.9	4.1%
<u>Additions to Rate Base:</u>				
Materials and Supplies	437.5	461.4	24.0	5.5%
Working Cash, Operational	3,661.8	3,661.8	0.0	0.0%
Working Cash, Lead Lag	4,564.5	6,934.5	2,370.0	51.9%
Total Additions to Rate Base	8,663.8	11,057.7	2,393.9	27.6%
<u>Deductions from Rate Base:</u>				
Weighted Average Depreciation Reserve	(148,536.6)	(142,343.9)	6,192.7	-4.2%
Advances for Construction	(11,635.3)	(11,635.3)	0.0	0.0%
Unamortized Advances (20-Year Amortization)	0.0	0.0	0.0	0.0%
Contribution In Aid of Contruction (Including Def Rev on CAC)	(32,006.0)	(32,006.0)	0.0	0.0%
Unamortized Contribution (20-Year Amortization)	0.0	0.0	0.0	0.0%
Accumulated Deferred Federal Income Taxes	(32,237.2)	(32,654.4)	(417.1)	1.3%
Accumulated Deferred State Income Taxes	(8,115.9)	(8,308.7)	(192.8)	2.4%
Total Deductions from Rate Base	(232,531.0)	(226,948.3)	5,582.7	-2.4%
Weighted Average Rate Base	275,536.1	303,874.6	28,338.6	10.3%
<u>Interest Calculation (for Tax Deductions):</u>				
Weighted Avg. Rate Base less customer deposits in Working Cash	275,536.1	303,874.6	28,338.6	10.3%
Weighted Cost of Debt	2.51%	2.51%	0.0%	0.0%
Interest Expense	6,916.0	7,627.3	711.3	10.3%
<u>Required return after tax (in \$)</u>				
Weighted Cost of Capital	7.61%	7.61%	0.0%	0.0%
Required Return	20,968.3	23,124.9	2,156.6	10.3%

**SOUTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 9-2
WEIGHTED AVERAGE RATE BASE - ESCALATION YEAR**

Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Weighted Average Plant In Service including adv for construction	524,379.1	585,484.3	61,105.2	11.7%
<u>Additions to Rate Base:</u>				
Materials and Supplies	450.7	475.4	24.7	5.5%
Working Cash, Operational	3,533.8	3,533.8	0.0	0.0%
Working Cash, Lead Lag	4,802.4	7,293.2	2,490.8	51.9%
Total Additions to Rate Base	<u>8,786.9</u>	<u>11,302.4</u>	2,515.5	28.6%
<u>Deductions from Rate Base:</u>				
Weighted Average Depreciation Reserve	(161,272.0)	(153,880.9)	7,391.0	-4.6%
Advances for Construction	(11,511.6)	(11,511.6)	0.0	0.0%
Unamortized Advances (20-Year Amortization)	0.0	0.0	0.0	0.0%
Contribution In Aid of Construction (Including Def Rev on CAC)	(31,995.4)	(31,995.4)	0.0	0.0%
Unamortized Contribution (20-Year Amortization)	0.0	0.0	0.0	0.0%
Accumulated Deferred Federal Income Taxes	(34,596.0)	(35,259.5)	(663.5)	1.9%
Accumulated Deferred State Income Taxes	(9,265.1)	(9,570.2)	(305.1)	3.3%
Total Deductions from Rate Base	<u>(248,640.0)</u>	<u>(242,217.5)</u>	6,422.5	-2.6%
Weighted Average Rate Base	<u>284,526.0</u>	<u>354,569.2</u>	<u>70,043.2</u>	24.6%
<u>Interest Calculation (for Tax Deductions):</u>				
Weighted Avg. Rate Base less customer deposits in Working Cash	284,526.0	354,569.2	70,043.2	24.6%
Weighted Cost of Debt	2.51%	2.51%	0.0%	0.0%
Interest Expense	7,141.6	8,899.7	1,758.1	24.6%
<u>Required return after tax (in \$)</u>				
Weighted Cost of Capital	7.61%	7.61%	0.0%	0.0%
Required Return	21,652.4	26,982.7	5,330.3	24.6%

**NORTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 1-1
SUMMARY OF EARNINGS - TEST YEAR**

Test Year 2024 (\$000)	Cal PA- Present Rates	Cal Am- Present Rates	Cal Am > Cal PA	
Total Revenue	93,655.8	85,126.6	(8,529.2)	-9.1%
<u>Operation and Maintenance Expenses:</u>				
Labor	8,844.0	10,482.8	1,638.8	18.5%
Purchased Water	4,625.1	4,476.3	(148.8)	-3.2%
Purchased Power	4,892.4	2,964.4	(1,927.9)	-39.4%
Chemicals	467.2	520.9	53.7	11.5%
Operation expense	2,222.2	3,800.3	1,578.2	71.0%
Maintenance (excluding Amortization of Tank Paintin	1,455.9	1,555.4	99.5	6.8%
Amortization of Tank Painting	608.7	604.9	(3.9)	-0.6%
Customer Accounting	892.5	1,255.9	363.4	40.7%
Uncollectibles*	479.2	621.4	142.2	29.7%
<u>General and Administrative Expenses:</u>				
Insurance	1,198.3	1,198.8	0.5	0.0%
Pensions and Benefits	2,169.3	2,509.5	340.2	15.7%
Regulatory Expense	274.5	287.0	12.5	4.6%
Rents	442.3	525.7	83.4	18.9%
Outside Services	896.6	954.4	57.8	6.4%
Other Administrative & General	3,980.7	4,348.1	367.4	9.2%
Subtotal	33,448.9	36,105.9	2,657.0	7.9%
Service Company	861.0	5,861.7	5,000.7	580.8%
Citizens Acquisition Premium	1,770.4	1,770.4	0.0	0.0%
GO Return on Rate Base	1,521.2	2,731.1	1,209.9	79.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(867.3)	775.4	1,642.7	-189.4%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	36,734.1	47,244.4	10,510.3	28.6%
Depreciation	15,431.6	17,479.9	2,048.3	13.3%
General Taxes	3,709.3	4,006.7	297.4	8.0%
Total Operating Expenses	55,875.0	68,731.0	12,856.0	23.0%
Income before taxes	37,780.8	16,395.6	(21,385.2)	-56.6%
State Income Taxes	2,686.6	733.1	(1,953.4)	-72.7%
Federal Income Taxes	5,753.4	1,133.2	(4,620.1)	-80.3%
Income After Tax	29,340.9	14,529.2	(14,811.6)	-50.5%
Weighted Average Rate Base	296,072.5	324,585.8	28,513.3	9.6%
Return on Rate Base at Present Rates	9.91%	4.48%	-5.43%	-54.8%

Test Year 2024 (\$000)	Cal PA- Proposed Rates	Cal Am- Proposed Rates	Cal Am > Cal PA	
Total Revenue	83,899.9	99,687.3	15,787.3	18.8%
Operation and Maintenance Expenses:				
Labor	8,844.0	10,482.8	1,638.8	18.5%
Purchased Water	4,625.1	4,476.3	(148.8)	-3.2%
Purchased Power	4,892.4	2,964.4	(1,927.9)	-39.4%
Chemicals	467.2	520.9	53.7	11.5%
Operation expense	2,222.2	3,800.3	1,578.2	71.0%
Maintenance (excluding Amortization of Tank Painting)	1,455.9	1,555.4	99.5	6.8%
Amortization of Tank Painting	608.7	604.9	(3.9)	-0.6%
Customer Accounting	892.5	1,255.9	363.4	40.7%
Uncollectibles*	429.3	697.2	267.9	62.4%
General and Administrative Expenses:				
Insurance	1,198.3	1,198.8	0.5	0.0%
Pensions and Benefits	2,169.3	2,509.5	340.2	15.7%
Regulatory Expense	274.5	287.0	12.5	4.6%
Rents	442.3	525.7	83.4	18.9%
Outside Services	896.6	954.4	57.8	6.4%
Other Administrative & General	3,980.7	4,348.1	367.4	9.2%
Subtotal	33,399.0	36,181.7	2,782.7	8.3%
Service Company	861.0	5,861.7	5,000.7	580.8%
Citizens Acquisition Premium	1,770.4	1,770.4	0.0	0.0%
GO Return on Rate Base	1,521.2	2,731.1	1,209.9	79.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(867.3)	775.4	1,642.7	-189.4%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	36,684.2	47,320.2	10,636.0	29.0%
Depreciation	15,431.6	17,479.9	2,048.3	13.3%
General Taxes	3,709.3	4,006.7	297.4	8.0%
Total Operating Expenses	55,825.1	68,806.8	12,981.7	23.3%
Income before taxes	28,074.8	30,880.5	2,805.6	10.0%
State Income Taxes	1,828.6	2,013.6	185.0	10.1%
Federal Income Taxes	3,715.1	4,175.1	459.9	12.4%
Income After Tax	22,531.1	24,691.8	2,160.7	9.6%
Weighted Average Rate Base	296,072.5	324,585.8	28,513.3	9.6%
Return on Rate Base at Proposed Rates	7.61%	7.61%	0.00%	0.0%

**NORTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 1-1x
SUMMARY OF EARNINGS - ESCALATION YEAR >>> NOT RECOMMENDED ATTRITION YR SOE**

Escalation Year 2025 (\$000)	Cal PA- Present Rates	Cal Am- Present Rates	Cal Am > Cal PA	
Total Revenue	86,498.5	101,470.7	14,972.2	17.3%
<u>Operation and Maintenance Expenses:</u>				
Labor	9,068.1	10,810.2	1,742.1	19.2%
Purchased Water	4,660.3	4,482.5	(177.8)	-3.8%
Purchased Power	5,276.6	3,023.8	(2,252.9)	-42.7%
Chemicals	481.3	555.2	73.9	15.4%
Operation expense	2,282.1	3,879.1	1,597.0	70.0%
Maintenance (excluding Amortization of Tank Paintin	1,499.9	1,602.3	102.5	6.8%
Amortization of Tank Painting	699.9	686.7	(13.2)	-1.9%
Customer Accounting	919.4	1,293.9	374.4	40.7%
Uncollectibles*	442.6	711.8	269.2	60.8%
<u>General and Administrative Expenses:</u>				
Insurance	1,234.3	1,234.8	0.5	0.0%
Pensions and Benefits	2,235.2	2,590.5	355.3	15.9%
Regulatory Expense	274.5	1,148.0	873.5	318.2%
Rents	447.6	531.7	84.0	18.8%
Outside Services	923.7	983.2	59.5	6.4%
Other Administrative & General	4,060.4	4,438.5	378.1	9.3%
Subtotal	34,505.8	37,972.1	3,466.3	10.0%
Service Company	887.0	6,031.3	5,144.2	579.9%
Citizens Acquisition Premium	1,781.9	1,781.9	0.0	0.0%
GO Return on Rate Base	1,430.7	2,740.5	1,309.8	91.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(893.5)	1,682.3	2,575.8	-288.3%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	37,711.9	50,208.1	12,496.2	33.1%
Depreciation	17,062.8	20,014.5	2,951.7	17.3%
General Taxes	4,132.5	4,617.4	484.9	11.7%
Total Operating Expenses	58,907.2	74,840.0	15,932.8	27.0%
Income before taxes	27,591.3	26,630.7	(960.6)	-3.5%
State Income Taxes	1,736.5	1,534.9	(201.6)	-11.6%
Federal Income Taxes	3,436.9	2,919.0	(517.9)	-15.1%
Income After Tax	22,417.9	22,176.8	(241.1)	-1.1%
Weighted Average Rate Base	318,334.6	371,065.1	52,730.6	16.6%
Return on Rate Base at Present Rates	7.04%	5.98%	-1.07%	-15.1%

Escalation Year 2025 (\$000)	Cal PA- Proposed Rates	Cal Am- Proposed Rates	Cal Am > Cal PA	
Total Revenue	89,087.8	110,141.7	21,053.9	23.6%
Operation and Maintenance Expenses:				
Labor	9,068.1	10,810.2	1,742.1	19.2%
Purchased Water	4,660.3	4,482.5	(177.8)	-3.8%
Purchased Power	5,276.6	3,023.8	(2,252.9)	-42.7%
Chemicals	481.3	555.2	73.9	15.4%
Operation expense	2,282.1	3,879.1	1,597.0	70.0%
Maintenance (excluding Amortization of Tank Painting)	1,499.9	1,602.3	102.5	6.8%
Amortization of Tank Painting	699.9	686.7	(13.2)	-1.9%
Customer Accounting	919.4	1,293.9	374.4	40.7%
Uncollectibles*	455.9	757.0	301.1	66.0%
General and Administrative Expenses:				
Insurance	1,234.3	1,234.8	0.5	0.0%
Pensions and Benefits	2,235.2	2,590.5	355.3	15.9%
Regulatory Expense	274.5	1,148.0	873.5	318.2%
Rents	447.6	531.7	84.0	18.8%
Outside Services	923.7	983.2	59.5	6.4%
Other Administrative & General	4,060.4	4,438.5	378.1	9.3%
Subtotal	34,519.1	38,017.3	3,498.2	10.1%
Service Company	887.0	6,031.3	5,144.2	579.9%
Citizens Acquisition Premium	1,781.9	1,781.9	0.0	0.0%
GO Return on Rate Base	1,430.7	2,740.5	1,309.8	91.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(893.5)	1,682.3	2,575.8	-288.3%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	37,725.2	50,253.3	12,528.1	33.2%
Depreciation	17,062.8	20,014.5	2,951.7	17.3%
General Taxes	4,132.5	4,617.4	484.9	11.7%
Total Operating Expenses	58,920.5	74,885.2	15,964.7	27.1%
Income before taxes	30,167.3	35,256.5	5,089.1	16.9%
State Income Taxes	1,964.3	2,297.4	333.2	17.0%
Federal Income Taxes	3,977.9	4,730.4	752.6	18.9%
Income After Tax	24,225.2	28,228.6	4,003.4	16.5%
Weighted Average Rate Base	318,334.6	371,065.1	52,730.6	16.6%
Return on Rate Base at Proposed Rates	7.61%	7.61%	0.00%	0.0%

**NORTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 1-2
SUMMARY OF EARNINGS - ESCALATION YEARS**

For Illustrative Purposes (\$000)	Cal PA 2025	Cal PA 2026	2025 to 2026 Increase	
Total Revenue	89,087.8	93,925.4	4,837.6	5.4%
<u>Operation and Maintenance Expenses:</u>				
Labor	9,068.1	9,341.9	273.9	3.0%
Purchased Water	4,660.3	4,660.3	0.0	0.0%
Purchased Power	5,276.6	5,276.6	0.0	0.0%
Chemicals	481.3	495.8	14.5	3.0%
Operation expense	2,282.1	2,331.2	49.1	2.2%
Maintenance (excluding Amortization of Tank Painting)	1,499.9	1,533.6	33.8	2.3%
Amortization of Tank Painting	699.9	721.0	21.1	3.0%
Customer Accounting	919.4	947.2	27.8	3.0%
Uncollectibles	455.9	467.4	11.5	2.5%
<u>General and Administrative Expenses:</u>				
Insurance	1,234.3	1,271.3	37.0	3.0%
Pensions and Benefits	2,235.2	2,302.7	67.5	3.0%
Regulatory Expense	274.5	274.5	0.0	0.0%
Rents	447.6	453.1	5.5	1.2%
Outside Services	923.7	951.6	27.9	3.0%
Other Administrative & General	4,060.4	4,179.1	118.7	2.9%
Subtotal	34,519.1	35,207.4	688.3	2.0%
Service Company	887.0	913.8	26.8	3.0%
Citizens Acquisition Premium	1,781.9	1,793.8	11.9	0.7%
GO Return on Rate Base	1,430.7	1,340.3	(90.4)	-6.3%
Other - Deceptive Pricing Adjustment and Return on T&D	(893.5)	(920.5)	(27.0)	3.0%
Reserved	0.0	0.0	0.0	0.0%
Total O&M and G&A Expenses	37,725.2	38,334.8	609.6	1.6%
Depreciation	17,062.8	18,694.0	1,631.2	9.6%
General Taxes	4,132.5	4,555.2	422.7	10.2%
Total Operating Expenses	58,920.5	61,584.0	2,663.5	4.5%
Income before taxes	30,167.3	32,341.4	2,174.1	7.2%
Total Income Taxes	5,942.1	6,422.0	479.9	8.1%
Income After Tax	24,225.2	25,919.4	1,694.2	7.0%
Weighted Average Rate Base	318,334.6	340,596.6	22,262.0	7.0%
Return on Rate Base	7.61%	7.61%	0.0	0.0%

**NORTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 2-1
AVERAGE WATER SALES PER CUSTOMER (OR PER CONNECTION)**

Test Year 2024 (CCF/connection/year)*	Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Water Sales:				
Residential	679.4	679.4	0.0	0.0%
Multiresidential	0.0	0.0	0.0	0.0%
Multiresidential (Mstr Mtr)	0.0	0.0	0.0	0.0%
Commercial	3,633.2	3,633.2	0.0	0.0%
Industrial	167,518.7	167,518.7	0.0	0.0%
Public Authority	5,676.8	5,676.8	0.0	0.0%
Sales for Resale	0.0	0.0	0.0	0.0%
Other	369.0	369.0	0.0	0.0%
Golf Courses	0.0	0.0	0.0	0.0%
Construction	0.0	0.0	0.0	0.0%
Irrigation Gravity	0.0	0.0	0.0	0.0%
Irrigation Pressure	0.0	0.0	0.0	0.0%
Private Fire	0.0	0.0	0.0	0.0%
Private Fire Mandated	0.0	0.0	0.0	0.0%
Public Fire	0.0	0.0	0.0	0.0%
Hotel	0.0	0.0	0.0	0.0%
Residential Flat	0.0	0.0	0.0	0.0%
Commercial (Flat)	0.0	0.0	0.0	0.0%
Unmetered	0.0	0.0	0.0	0.0%
Reserved	0.0	0.0	0.0	0.0%
Reserved	0.0	0.0	0.0	0.0%

Escalation Year 2025 (CCF/connection/year)*		Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Water Sales:					
	Residential	679.4	679.4	0.0	0.0%
	Multiresidential	0.0	0.0	0.0	0.0%
	Multiresidential (Mstr Mtr)	0.0	0.0	0.0	0.0%
	Commercial	3,633.2	3,633.2	0.0	0.0%
	Industrial	167,518.7	167,518.7	0.0	0.0%
	Public Authority	5,676.8	5,676.8	0.0	0.0%
	Sales for Resale	0.0	0.0	0.0	0.0%
	Other	369.0	369.0	0.0	0.0%
	Golf Courses	0.0	0.0	0.0	0.0%
	Construction	0.0	0.0	0.0	0.0%
	Irrigation Gravity	0.0	0.0	0.0	0.0%
	Irrigation Pressure	0.0	0.0	0.0	0.0%
	Private Fire	0.0	0.0	0.0	0.0%
	Private Fire Mandated	0.0	0.0	0.0	0.0%
	Public Fire	0.0	0.0	0.0	0.0%
	Hotel	0.0	0.0	0.0	0.0%
	Residential Flat	0.0	0.0	0.0	0.0%
	Commercial (Flat)	0.0	0.0	0.0	0.0%
	Unmetered	0.0	0.0	0.0	0.0%
	Reserved	0.0	0.0	0.0	0.0%
	Reserved	0.0	0.0	0.0	0.0%

**NORTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 2-2
AVERAGE NUMBER OF CUSTOMERS (SERVICE CONNECTIONS)**

Test Year 2024	Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Customers (Service Connections):				
Residential	65,470	67,206	1,736	3%
Multiresidential	0	0	0	0%
Multiresidential (Mstr Mtr)	0	0	0	0%
Commercial	6,069	6,447	378	6%
Industrial	16	16	0	0%
Public Authority	366	379	13	4%
Sales for Resale	0	0	0	0%
Other	1	1	0	0%
Golf Courses	0	0	0	0%
Construction	0	0	0	0%
Irrigation Gravity	0	0	0	0%
Irrigation Pressure	0	0	0	0%
Private Fire	0	0	0	0%
Private Fire Mandated	0	0	0	0%
Private Fire Protection Service	1,143	1,303	160	14%
Hotel	0	0	0	0%
Residential Flat	1,295	1,295	0	0%
Commercial (Flat)	0	0	0	0%
Unmetered	0	0	0	0%
Reserved	0	0	0	0%
Reserved	0	0	0	0%
Total	74,360	76,647	2,287	3%

Escalation Year 2025		Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Customers (Service Connections):					
	Residential	67,758	70,187	2,429	4%
	Multiresidential	0	0	0	0%
	Multiresidential (Mstr Mtr)	0	0	0	0%
	Commercial	6,085	6,614	529	9%
	Industrial	16	16	0	0%
	Public Authority	366	383	17	5%
	Sales for Resale	0	0	0	0%
	Other	1	1	0	0%
	Golf Courses	0	0	0	0%
	Construction	0	0	0	0%
	Irrigation Gravity	0	0	0	0%
	Irrigation Pressure	0	0	0	0%
	Private Fire	0	0	0	0%
	Private Fire Mandated	0	0	0	0%
	Private Fire Protection Service	1,148	1,372	224	20%
	Hotel	0	0	0	0%
	Residential Flat	0	0	0	0%
	Commercial (Flat)	0	0	0	0%
	Unmetered	0	0	0	0%
	Reserved	0	0	0	0%
	Reserved	0	0	0	0%
	Total	75,374	78,573	2,975	17%

**NORTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 2-3
TOTAL SALES AND SUPPLY**

Test Year 2024 (KCCF)	Cal PA	Cal Am	Cal Am > Cal PA	
Metered Customers				
Residential	9,165,138	7,953,608	(1,211,530)	-13%
Multiresidential	0	0	0	0%
Multiresidential (Mstr Mtr)	0	0	0	0%
Commercial	4,855,286	4,247,113	(608,173)	-13%
Industrial	195,197	141,968	(53,229)	-27%
Public Authority	1,002,730	828,938	(173,792)	-17%
Sales for Resale	0	0	0	0%
Other	369	350	(19)	-5%
Golf Courses	0	0	0	0%
Construction	0	0	0	0%
Irrigation Gravity	0	0	0	0%
Irrigation Pressure	0	0	0	0%
Private Fire	0	0	0	0%
Private Fire Mandated	0	0	0	0%
Private Fire Protection Service	0	0	0	0%
Hotel	0	0	0	0%
Residential Flat	0	0	0	0%
Commercial (Flat)	0	0	0	0%
Unmetered	0	0	0	0%
Reserved	0	0	0	0%
Reserved	0	0	0	0%
Total Sales	15,218,720	13,171,977	(2,046,743)	-13%

Escalation Year 2025 (KCCF)		Cal PA	Cal Am	Cal Am > Cal PA	
Metered Customers (Service Connections):					
	Residential	9,557,555	8,245,407	(1,312,148)	-14%
	Multiresidential	0	0	0	0%
	Multiresidential (Mstr Mtr)	0	0	0	0%
	Commercial	4,980,357	4,258,061	(722,296)	-15%
	Industrial	195,197	141,968	(53,229)	-27%
	Public Authority	1,012,654	828,938	(183,716)	-18%
	Sales for Resale	0	0	0	0%
	Other	369	350	(19)	-5%
	Golf Courses	0	0	0	0%
	Construction	0	0	0	0%
	Irrigation Gravity	0	0	0	0%
	Irrigation Pressure	0	0	0	0%
	Private Fire	0	0	0	0%
	Private Fire Mandated	0	0	0	0%
	Private Fire Protection Service	0	0	0	0%
	Hotel	0	0	0	0%
	Residential Flat	0	0	0	0%
	Commercial (Flat)	0	0	0	0%
	Unmetered	0	0	0	0%
	Reserved	0	0	0	0%
	Reserved	0	0	0	0%
	Total Sales	15,746,132	13,474,724	(2,271,408)	-14%

NORTHERN DIVISION				
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001				
TABLE 2-4				
OPERATING REVENUES AT PRESENT RATES				
Test Year 2024 (\$)	Cal PA	Cal Am	Cal Am > Cal PA	
METERED SALES REVENUE				
Residential	54,300,743	50,090,848	(4,209,895.0)	-7.8%
Multiresidential	0	0	0.0	0.0%
Multiresidential (Mstr Mtr)	0	0	0.0	0.0%
Commercial	28,250,438	25,831,045	(2,419,393.0)	-8.6%
Industrial	871,364	636,466	(234,898.0)	-27.0%
Public Authority	5,228,602	4,524,961	(703,641.0)	-13.5%
Sales for Resale	0	0	0.0	0.0%
Other	29,617	29,392	(225.0)	-0.8%
Golf Courses	0	0	0.0	0.0%
Construction	0	0	0.0	0.0%
Irrigation Gravity	0	0	0.0	0.0%
Irrigation Pressure	0	0	0.0	0.0%
Residential Fire Protection Service	2,030,706	1,383,258	(647,448.0)	-31.9%
Private Fire Mandated	0	0	0.0	0.0%
Private Fire Protection Service	1,416,597	1,309,058	(107,539.0)	-7.6%
Hotel	0	0	0.0	0.0%
Reserved	0	0	0.0	0.0%
Total Metered Revenues	92,128,067	83,805,028	(8,323,039)	-9.0%
NON-METERED REVENUE				
Residential Flat	949,973	1,016,472	66,499.0	7.0%
Commercial (Flat)	0	0	0.0	0.0%
Unmetered	0	0	0.0	0.0%
Reserved	0	0	0.0	0.0%
Total Non-Metered Revenue	949,973.0	1,016,472.0	66,499.0	7.0%
OTHER REVENUE				
Method 5 Revenues	0	0	0.0	0.0%
Contract Revenues	0	0	0.0	0.0%
Antenna Leases	0	0	0.0	0.0%
Additional NTPS Rev	0	0	0.0	0.0%
Misc Service Revenues	0	0	0.0	0.0%
Late Payment Penalty	0	0	0.0	0.0%
Rents	0	0	0.0	0.0%
Leak Adjustments	0	0	0.0	0.0%
DSIC	0	0	0.0	0.0%
Other	29,617	29,392	(225.0)	-0.8%
Subtotal Other Revenue	29,617	29,392	(225)	-0.8%
TOTAL OPERATING REVENUES	93,107,657	84,850,892	(8,256,765)	-8.9%
Total Revenues at Present Rates, TY 2024	93,107,657	84,850,892	(8,256,765)	-8.9%

Escalation Year 2025 (\$)		Cal PA	Cal Am	Cal Am > Cal PA	
METERED SALES REVENUE					
	Residential	49,829,785	56,616,707	6,786,922	13.6%
	Multiresidential	0	0	0	0.0%
	Multiresidential (Mstr Mtr)	0	0	0	0.0%
	Commercial	25,335,465	33,368,081	8,032,616	31.7%
	Industrial	667,798	639,728	(28,070)	-4.2%
	Public Authority	4,465,084	5,541,687	1,076,603	24.1%
	Sales for Resale	0	0	0	0.0%
	Other	31,440	57,621	26,181	83.3%
	Golf Courses	0	0	0	0.0%
	Construction	0	0	0	0.0%
	Irrigation Gravity	0	0	0	0.0%
	Irrigation Pressure	0	0	0	0.0%
	Residential Fire Protection Service	3,222,463	2,591,902	(630,561)	-19.6%
	Private Fire Mandated	0	0	0	0.0%
	Private Fire Protection Service	1,348,075	1,214,935	(133,140)	-9.9%
	Hotel	0	0	0	0.0%
	Reserved	0	0	0	0.0%
	Total Metered Revenues	84,900,110	100,030,661	15,130,551	17.8%
NON-METERED REVENUE					
	Residential Flat	1,006,971	1,100,839	93,868	9.3%
	Commercial (Flat)	0	0	0	0.0%
	Unmetered	0	0	0	0.0%
	Res Reserved	0	0	0	0.0%
	Total Non-Metered Revenue	1,006,971.0	1,100,839.0	93,868	9.3%
OTHER REVENUE					
	Method 5 Revenues	0	0	0	0.0%
	Contract Revenues	0	0	0	0.0%
	Antenna Leases	0	0	0	0.0%
	Additional NTPS Rev	0	0	0	0.0%
	Misc Service Revenues	0	0	0	0.0%
	Late Payment Penalty	0	0	0	0.0%
	Rents	0	0	0	0.0%
	Leak Adjustments	0	0	0	0.0%
	DSIC	0	0	0	0.0%
	Other	31,440	57,621	26,181	83.3%
	Total Other Revenues	31,440	57,621	26,181	83.3%
TOTAL OPERATING REVENUES		85,938,521	101,189,121	15,250,600	17.7%
Total Rev at Present Rates, EY 2025		85,938,521	101,189,121	15,250,600	17.7%

**NORTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 3-1
OPERATIONS & MAINTENANCE EXPENSES - TEST YEAR**

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
<u>Expenses(Operation, Maintenance, and A&G):</u>				
Labor	8,844.0	10,482.8	1,638.8	18.5%
Purchased Water	4,625.1	4,476.3	(148.8)	-3.2%
Purchased Power	4,892.4	2,964.4	(1,927.9)	-39.4%
Chemicals	467.2	520.9	53.7	11.5%
Operation Expense	2,222.2	3,800.3	1,578.2	71.0%
Maintenance Expense (excluding Amort Tank Paintin	1,455.9	1,555.4	99.5	6.8%
Amortization of Tank Painting	608.7	604.9	(3.9)	-0.6%
Customer Accounting	892.5	1,255.9	363.4	40.7%
Insurance (Property and Injuries & Damages)	1,198.3	1,198.8	0.5	0.0%
Pensions and Benefits	2,169.3	2,509.5	340.2	15.7%
Regulatory Expense	274.5	287.0	12.5	4.6%
Rents	442.3	525.7	83.4	18.9%
Other Administrative and General	3,980.7	4,348.1	367.4	9.2%
Subtotal	<u>32,073.1</u>	<u>34,530.1</u>	2,457.0	7.7%
Service Company	861.0	5,861.7	5,000.7	580.8%
Citizens Acquisition Premium	1,770.4	1,770.4	0.0	0.0%
GO Return on Rate Base	1,521.2	2,731.1	1,209.9	79.5%
SS Pricing Adjustment	(867.3)	-	867.3	-100.0%
Return on T&D Net Plant Consolidation	-	775.4	775.4	0.0%
Reserved	-	-	0.0	0.0%
Total Expenses excluding Uncollectibles	<u>35,358.3</u>	<u>45,668.6</u>	<u>10,310.3</u>	<u>29.2%</u>
<u>At Present Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	93,655.8	85,126.6	(8,529.2)	-9.1%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	479.2	443.2	(36.0)	-7.5%
Leak Adjustment - Uncollectibles	0.0	218.6	218.6	0.0%
Total Uncollectibles Expense	479.2	661.8	182.6	38.1%
Total Expenses including Uncollectibles (at Present Rate)	<u>35,837.6</u>	<u>46,330.4</u>	<u>10,492.8</u>	<u>29.3%</u>
<u>At Proposed Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	83,899.9	99,687.3	15,787.3	18.8%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	429.3	519.0	89.7	20.9%
Leak Adjustment - Uncollectibles	0.0	218.6	218.6	0.0%
Total Uncollectibles Expense	429.3	737.6	308.3	71.8%
Total Expenses including Uncollectibles (at Proposed Rate)	<u>35,787.7</u>	<u>46,406.2</u>	<u>10,618.6</u>	<u>29.7%</u>

**NORTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 3-2
OPERATIONS & MAINTENANCE EXPENSES - ESCALATION YEAR**

Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
<u>Expenses(Operation, Maintenance, and A&G):</u>				
Labor	9,068.1	10,810.2	1,742.1	19.2%
Purchased Water	4,660.3	4,482.5	(177.8)	-3.8%
Purchased Power	5,276.6	3,023.8	(2,252.9)	-42.7%
Chemicals	481.3	555.2	73.9	15.4%
Operation Expense	2,282.1	3,879.1	1,597.0	70.0%
Maintenance Expense (excluding Amort Tank Paintin	1,499.9	1,602.3		
Amortization of Tank Painting	699.9	686.7		
Customer Accounting	919.4	1,293.9	374.4	40.7%
Insurance (Property and Injuries & Damages)	1,234.3	1,234.8	0.5	0.0%
Pensions and Benefits	2,235.2	2,590.5	355.3	15.9%
Regulatory Expense	274.5	1,148.0	873.5	318.2%
Rents	447.6	531.7	84.0	18.8%
Other Administrative and General	4,060.4	4,438.5	378.1	9.3%
Subtotal	<u>33,139.5</u>	<u>36,277.1</u>	3,137.6	9.5%
Service Company	887.0	6,031.3	5,144.2	579.9%
Citizens Acquisition Premium	1,781.9	1,781.9	0.0	0.0%
GO Return on Rate Base	1,430.7	2,740.5	1,309.8	91.5%
SS Pricing Adjustment	(893.5)	-		
Return on T&D Net Plant Consolidation	-	1,682.3		
Reserved	-	-		
Total O&M excluding Uncollectibles	<u>36,345.7</u>	<u>48,513.1</u>	<u>12,167.4</u>	<u>33.5%</u>
<u>At Present Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	86,498.5	101,470.7	14,972.2	17.3%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	442.6	528.3	85.7	19.4%
Leak Adjustment - Uncollectibles	0.0	225.2	225.2	0.0%
Total Uncollectibles Expense	442.6	753.5	310.9	70.2%
Total O&M Expenses including Uncollectibles (at Present Rate)	<u>36,788.3</u>	<u>49,266.6</u>	<u>12,478.3</u>	<u>33.9%</u>
<u>At Proposed Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	89,087.8	110,141.7	21,053.9	23.6%
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%
Uncollectibles Expense	455.9	573.5	117.6	25.8%
Leak Adjustment - Uncollectibles	0.0	225.2	225.2	0.0%
Total Uncollectibles Expense	455.9	798.6	342.8	75.2%
Total O&M Expenses including Uncollectibles (at Proposed Rate)	<u>36,801.5</u>	<u>49,311.7</u>	<u>12,510.2</u>	<u>34.0%</u>

NORTHERN DIVISION					
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001					
TABLE 4-1					
TOTAL EXPENSES EXCLUDING PAYROLL					
(For Information Only)					
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA		
Operation Expenses (Excluding Payroll):					
702 SS Operation Labor and Expenses	0.0	0.0	0.0	0.0%	
703 SS Miscellaneous Expenses	577.6	643.9	66.3	11.5%	
704 SS Purchased Water	4,625.1	4,476.3	(148.8)	-3.2%	
722 PP Power production Labor and Exp	0.0	0.0	0.0	0.0%	
724 PP Pumping Labor and Expenses	0.0	0.0	0.0	0.0%	
725 PP Miscellaneous Expenses	25.1	26.7	1.6	6.2%	
726 PP Fuel or Power Purchased for Pumping	4,892.4	2,964.4	(1,927.9)	-39.4%	
742 WT Operation Labor and Expenses	26.4	33.6	7.2	27.4%	
743 WT Miscellaneous Expenses	985.2	1,250.6	265.4	26.9%	
744 WT Chemicals and Filtering Materials	467.2	520.9	53.7	11.5%	
752 TD Storage Facilities Expenses	2.6	500.6	498.0	18823.5%	
753 TD Transmission and Distribution	0.4	0.4	0.0	6.4%	
754 TD Meter Expenses	0.4	0.4	0.0	6.4%	
755 TD Customer Installations Expense	0.0	0.0	0.0	0.0%	
756 TD Miscellaneous Expenses	604.4	1,344.0	739.6	122.4%	
772 CA Meter Reading Expenses	0.0	0.0	0.0	6.4%	
773 CA Customer Records and Collection	240.0	253.2	13.2	5.5%	
774 CA Miscellaneous Customer Account	652.5	1,002.7	350.2	53.7%	
775 CA Uncollectible Accounts	479.2	621.4	142.1	29.7%	
999 Divisional Allocation	0.0	0.0	0.0	0.0%	
Total Operation Expenses (Excluding Payroll)	13,578.6	13,639.2	60.6	0.4%	
Maintenance Expense					
707 SS Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%	
708 SS Maint of Collecting and Imp Resrv	0.0	0.0	0.0	0.0%	
709 SS Maintenance of Lake, River and Intakes	0.0	0.0	0.0	0.0%	
710 SS Maintenance of Springs and Tunnels	0.0	0.0	0.0	0.0%	
711 SS Maintenance of Wells	0.0	0.0	0.0	0.0%	
712 SS Maintenance of Supply Mains	0.0	0.0	0.0	0.0%	
713 SS Maintenance of Other Source of Supply	100.8	107.0	6.2	6.2%	
730 PP Maintenance of Structures and Impr	0.9	1.0	0.1	6.4%	
731 PP Maintenance of Power Production	0.8	0.8	0.0	4.5%	
733 PP Maintenance of Other Pumping	112.4	118.7	6.3	5.6%	
747 WT Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%	
748 WT Maintenance of Wter Treatment	306.5	327.0	20.5	6.7%	
759 TD Maintenance of Structures and Impr	0.0	0.0	0.0	6.4%	
760 TD Maintenance of Reservoirs and Tanks	0.4	0.4	0.0	6.4%	
761 TD Maintenance of Transmission and Distr	38.1	47.5	9.4	24.8%	
762 TD Maintenance of Fire Mains	0.0	0.0	0.0	0.0%	
763 TD Maintenance of Services	13.8	15.1	1.3	9.1%	
764 TD Maintenance of Meters	7.3	7.8	0.5	6.4%	
765 TD Maintenance of Hydrants	1.3	1.4	0.1	6.4%	
766 TD Maintenance of Miscellaneous Plant	1,482.3	1,533.6	51.3	3.5%	
Total Maintenance Expense	2,064.6	2,160.2	95.6	4.6%	
Administrative & General Expenses:					
791 AG Admin and General Salaries	0.0	0.0	0.0	0.0%	
792 AG Office Supplies and Other Exp	204.8	213.0	8.1	4.0%	
793 AG Property Insurance	325.3	325.3	0.0	0.0%	
794 AG Injuries and Damages	873.0	873.5	0.5	0.1%	
795 AG Employees' Pensions and Benefits	2,169.3	2,509.5	340.2	15.7%	
797 AG Regulatory Commission Expenses	274.5	287.0	12.5	4.6%	
798 AG Outside Services Employed	896.6	954.4	57.8	6.4%	
799 AG Miscellaneous General Expenses	3,560.9	3,906.6	345.7	9.7%	
805 AG Maintenance of General Plant	214.9	228.5	13.6	6.3%	
811 AG Rents	442.3	525.7	83.4	18.9%	
Total Administrative and General Expenses	8,961.7	9,823.6	861.9	9.6%	

Escalation Year 2025 (\$000)		Cal PA	Cal Am	Cal Am > Cal PA	
Operation Expenses (Excluding Payroll):					
702	SS Operation Labor and Expenses	0.0	0.0	0.0	0.0%
703	SS Miscellaneous Expenses	595.0	663.3	68.3	11.5%
704	SS Purchased Water	4,660.3	4,482.5	(177.8)	-3.8%
722	PP Power production Labor and Exp	0.0	0.0	0.0	0.0%
724	PP Pumping Labor and Expenses	0.0	0.0	0.0	0.0%
725	PP Miscellaneous Expenses	25.9	27.5	1.6	6.2%
726	PP Fuel or Power Purchased for Pumping	5,276.6	3,023.8	(2,252.9)	-42.7%
742	WT Operation Labor and Expenses	27.2	34.6	7.4	27.4%
743	WT Miscellaneous Expenses	1,015.0	1,288.4	273.4	26.9%
744	WT Chemicals and Filtering Materials	481.3	555.2	73.9	15.4%
752	TD Storage Facilities Expenses	2.7	500.8	498.1	18274.7%
753	TD Transmission and Distribution	0.4	0.4	0.0	6.4%
754	TD Meter Expenses	0.4	0.4	0.0	6.4%
755	TD Customer Installations Expense	0.0	0.0	0.0	0.0%
756	TD Miscellaneous Expenses	615.5	1,363.6	748.1	121.5%
772	CA Meter Reading Expenses	0.0	0.0	0.0	6.4%
773	CA Customer Records and Collection	247.2	260.8	13.6	5.5%
774	CA Miscellaneous Customer Account	672.2	1,033.0	360.8	53.7%
775	CA Uncollectible Accounts	442.6	711.8	269.2	60.8%
999	Divisional Allocation	0.0	0.0	0.0	0.0%
Total Operation Expenses (Excluding Payroll)		14,062.3	13,946.2	(116.1)	-0.8%
Maintenance Expense					
707	SS Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
708	SS Maint of Collecting and Imp Resrv	0.0	0.0	0.0	0.0%
709	SS Maintenance of Lake, River and Intakes	0.0	0.0	0.0	0.0%
710	SS Maintenance of Springs and Tunnels	0.0	0.0	0.0	0.0%
711	SS Maintenance of Wells	0.0	0.0	0.0	0.0%
712	SS Maintenance of Supply Mains	0.0	0.0	0.0	0.0%
713	SS Maintenance of Other Source of Supply	103.8	110.2	6.4	6.2%
730	PP Maintenance of Structures and Impr	0.9	1.0	0.1	6.4%
731	PP Maintenance of Power Production	0.8	0.9	0.0	4.5%
733	PP Maintenance of Other Pumping	115.8	122.2	6.4	5.6%
747	WT Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
748	WT Maintenance of Wter Treatment	315.8	336.9	21.1	6.7%
759	TD Maintenance of Structures and Impr	0.0	0.0	0.0	6.4%
760	TD Maintenance of Reservoirs and Tanks	0.4	0.4	0.0	6.4%
761	TD Maintenance of Transmission and Distr	39.2	48.9	9.7	24.8%
762	TD Maintenance of Fire Mains	0.0	0.0	0.0	0.0%
763	TD Maintenance of Services	14.2	15.5	1.3	9.1%
764	TD Maintenance of Meters	7.6	8.0	0.5	6.4%
765	TD Maintenance of Hydrants	1.3	1.4	0.1	6.4%
766	TD Maintenance of Miscellaneous Plant	1,599.8	1,643.5	43.6	2.7%
Total Maintenance Expense		2,199.7	2,289.0	89.3	4.1%
Administrative & General Expenses:					
791	Salaries	0.0	0.0	0.0	0.0%
792	Office Supplies	209.3	217.6	8.4	4.0%
793	Property Insurance	335.1	335.1	0.0	0.0%
794	Injuries and Damages	899.2	899.7	0.5	0.1%
795	Pensions, Benefits & PBOP	2,235.2	2,590.5	355.3	15.9%
797	Regulatory Commission	274.5	1,148.0	873.5	318.2%
798	Outside Services	923.7	983.2	59.5	6.4%
799	General Corporate	3,629.7	3,985.5	355.7	9.8%
805	Dues & Membership	221.4	235.4	14.0	6.3%
811	Rents	447.6	531.7	84.0	18.8%
Total Administrative and General Expenses		9,175.7	10,926.8	1,751.1	19.1%

**NORTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 5-1
TAXES OTHER THAN INCOME**

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
OTHER TAXES				
Ad Valorem	3,081.7	3,305.2	223.5	7.3%
Franchise Taxes	0.0	0.0	0.0	0.0%
Payroll Taxes	599.6	671.8	72.2	12.0%
Other	28.0	29.7	1.8	6.4%
Non-Utility	0.0	0.0	0.0	0.0%
Total Taxes Other Than Income, At Proposed Rates	3,709.3	4,006.7	297.4	8.0%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
OTHER TAXES				
Ad Valorem	3,491.7	3,898.1	406.4	11.6%
Franchise Taxes	0.0	0.0	0.0	0.0%
Payroll Taxes	611.9	688.6	76.7	12.5%
Other	28.8	30.6	1.8	6.4%
Non-Utility	0.0	0.0	0.0	0.0%
Total Taxes Other Than Income, At Proposed Rates	4,132.5	4,617.4	484.9	11.7%

**NORTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 6-1
TAXES BASED ON INCOME - TEST YEAR AT PRESENT RATES**

For Illustrative Purposes (\$000)				
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenue at Present Rates	93,655.8	85,126.6	(8,529.2)	-9.1%
Deductions:				
Operating Exps less uncollectibles	35,358.3	45,668.6	10,310.3	29.2%
Uncollectibles	479.2	661.8	182.6	38.1%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	15,431.6	17,479.9	2,048.3	13.3%
Interest Expense	7,431.4	8,147.1	715.7	9.6%
General Taxes	3,709.3	4,006.7	297.4	8.0%
Non-deductible Meals	(27.6)	(27.6)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	62,382.3	75,936.5	13,554.2	21.7%
Total Deductions for State Tax	62,382.3	75,936.5	13,554.2	21.7%
Taxable Income - State	31,273.5	9,190.1	(22,083.4)	-70.6%
State Income Tax @ (see below)	2,764.6	812.4	(1,952.2)	-70.6%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	2,764.6	812.4	(1,952.2)	-70.6%
Estimated State tax for 2023	1,444.4	857.9	(586.5)	-40.6%
Taxable Income - Federal	29,829.2	8,332.2	(21,496.9)	-72.1%
Federal Income Tax @ (See below)	6,264.1	1,749.8	(4,514.4)	-72.1%
Less: Amort Deferred Federal ITC	0.0	0.0	0.0	0.0%
FEDERAL INCOME TAX	6,264.1	1,749.8	(4,514.4)	-72.1%
<i>State Income Tax Rate</i>	8.84%	8.84%	0.0%	0.0%
<i>Federal Income Tax Rate</i>	21.00%	21.00%	0.0%	0.0%
Total Income Taxes for Revenues at Present Rates	9,028.7	2,562.2	(6,466.5)	-71.6%

**NORTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 6-2
TAXES BASED ON INCOME - TEST YEAR AT PROPOSED RATES**

For Illustrative Purposes (\$000)				
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenue at Proposed Rates	83,899.9	99,687.3	15,787.3	18.8%
Deductions:				
Operating Expenses excluding uncollectibles	35,358.3	45,668.6	10,310.3	29.2%
Uncollectibles	429.3	737.6	308.3	71.8%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	15,431.6	17,479.9	2,048.3	13.3%
Interest Expense	7,431.4	8,147.1	715.7	9.6%
General Taxes	3,709.3	4,006.7	297.4	8.0%
Non-deductible Meals	(27.6)	(27.6)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	62,332.3	76,012.3	13,679.9	21.9%
Total Deductions for State Tax	62,332.3	76,012.3	13,679.9	21.9%
Taxable Income - State	21,567.6	23,675.0	2,107.4	9.8%
State Income Tax @8.84%	1,906.6	2,092.9	186.3	9.8%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	1,906.6	2,092.9	186.3	9.8%
Estimated State tax for 2023	1,444.4	857.9	(586.5)	-40.6%
Taxable Income - Federal	20,123.2	22,817.1	2,693.9	13.4%
Federal Income Tax @21%	4,225.9	4,791.6	565.7	13.4%
Less: Amort Deferred Federal ITC	0.0	0.0	0.0	0.0%
FEDERAL INCOME TAX	4,225.9	4,791.6	565.7	13.4%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	<i>0.0%</i>	<i>0.0%</i>
Total Income Taxes for Revenues at Proposed Rates	6,132.4	6,884.5	752.0	12.3%

TABLE 6-3				
TAXES BASED ON INCOME - ESCALATION YEAR AT PRESENT RATES				
For Illustrative Purposes (\$000)				
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenues at Present Rates	86,498.5	101,470.7	14,972.2	17.3%
Deductions:				
Operating Expenses excluding uncollectibles	36,345.7	48,513.1	12,167.4	33.5%
Uncollectibles	442.6	528.3	85.7	19.4%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	17,062.8	20,014.5	2,951.7	17.3%
Interest Expense	7,990.2	9,313.7	1,323.5	16.6%
General Taxes	4,132.5	4,617.4	484.9	11.7%
Non-deductible Meals	(28.4)	(28.4)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	65,945.3	82,958.6	17,013.3	25.8%
Total Deductions for State Tax	65,945.3	82,958.6	17,013.3	25.8%
Taxable Income - State	20,553.2	18,512.1	(2,041.1)	-9.9%
State Income Tax @ (see below)	1,816.9	1,636.5	(180.4)	-9.9%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	1,816.9	1,636.5	(180.4)	-9.9%
Estimated State tax for 2024	2,764.6	812.4	(1,952.2)	-70.6%
Taxable Income - Federal	17,788.7	17,699.7	(88.9)	-0.5%
Federal Income Tax @ (See below)	3,735.6	3,716.9	(18.7)	-0.5%
Less: Amort Deferred Federal ITC	0.0	0.0	0.0	0.0%
FEDERAL INCOME TAX	3,735.6	3,716.9	(18.7)	-0.5%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	<i>0.0%</i>	<i>0.0%</i>
Total Income Taxes for Revenues at Present Rates	5,552.5	5,353.4	(199.1)	-3.6%

TABLE 6-4				
TAXES BASED ON INCOME - ESCALATION YEAR AT PROPOSED RATES				
For Illustrative Purposes (\$000)				
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenues at Proposed Rates	89,087.8	110,141.7	21,053.9	23.6%
Deductions:				
Operating Exps less uncollectibles	36,345.7	48,513.1	12,167.4	33.5%
Uncollectibles	455.9	798.6	342.8	75.2%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	17,062.8	20,014.5	2,951.7	17.3%
Interest Expense	7,990.2	9,313.7	1,323.5	16.6%
General Taxes	4,132.5	4,617.4	484.9	11.7%
Non-deductible Meals	(28.4)	(28.4)	(0.0)	0.0%
Total Deductions				
Federal	65,958.5	83,228.9	17,270.4	26.2%
State	65,958.5	83,228.9	17,270.4	26.2%
Taxable Income - State	23,129.3	26,912.8	3,783.5	16.4%
State Income Tax @ (see below)	2,044.6	2,379.1	334.5	16.4%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	2,044.6	2,379.1	334.5	16.4%
Estimated State tax for 2024	1,906.6	2,092.9	186.3	9.8%
Taxable Income - Federal	21,222.7	24,819.9	3,597.2	16.9%
Federal Income Tax @ (See below)	4,456.8	5,212.2	755.4	16.9%
Less: Amort Deferred Federal ITC	0.0	0.0	0.0	0.0%
FEDERAL INCOME TAX	4,456.8	5,212.2	755.4	16.9%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	<i>0.0%</i>	<i>0.0%</i>
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	<i>0.0%</i>	<i>0.0%</i>
Total Income Taxes for Revenues at Proposed Rates	6,501.4	7,591.3	1,089.9	16.8%

**NORTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 7-1
UTILITY PLANT IN SERVICE**

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Plant in Service - Beginning of Year	530,744.5	532,842.8	2,098.3	0.4%
Gross Additions during a year	71,054.5	99,073.1	28,018.6	39.4%
Retirement and Other Adjustments:				
Retirements	2,160.8	2,902.8	742.0	34.3%
Sales and Adjustments	0.0	0.0	0.0	0.0%
Capitalized Interest During Construction	0.0	0.0	0.0	0.0%
Net Additions	68,893.8	96,170.3	27,276.5	39.6%
Construction Work in Progress Beginning Balance	39,065.3	48,426.7	9,361.4	24.0%
Construction Work in Progress Ending Balance	20,192.4	28,617.7	8,425.3	41.7%
Construction Work in Progress Net Additions	(18,873.0)	(19,809.0)	(936.1)	5.0%
Plant in Service - End of Year	599,638.3	629,013.1	29,374.8	4.9%
<i>Plant Weighting Factor</i>	<i>49.62%</i>	<i>46.61%</i>	<i>-3.0%</i>	<i>-6.1%</i>
Weighted Average Plant in Service	594,629.4	616,858.9	22,229.5	3.7%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Plant in Service - Beginning of Year	599,638.3	629,013.1	29,374.8	4.9%
Gross Additions during a year	38,133.7	65,768.9	27,635.2	72.5%
Retirement and Other Adjustments:				
Retirements	1,216.3	2,031.8	815.4	67.0%
Sales and Adjustments	0.0	0.0	0.0	0.0%
Capitalized Interest During Construction	0.0	0.0	0.0	0.0%
Net Additions	36,917.4	63,737.1	26,819.7	72.6%
Construction Work in Progress Beginning Balance	20,192.4	28,617.7	8,425.3	41.7%
Construction Work in Progress Ending Balance	19,521.3	26,052.5	6,531.2	33.5%
Construction Work in Progress Net Additions	(671.1)	(2,565.2)	(1,894.1)	282.3%
Plant in Service - End of Year	636,555.7	692,750.2	56,194.6	8.8%
<i>Plant Weighting Factor</i>	<i>49.64%</i>	<i>46.60%</i>	<i>-3.0%</i>	<i>-6.1%</i>
Weighted Average Plant in Service	637,823.0	686,139.2	48,316.2	7.6%

NORTHERN DIVISION
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TABLE 8-1
DEPRECIATION RESERVE & EXPENSE

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Depreciation Reserve - Beginning of Year	194,551.3	192,887.8	(1,663.6)	-0.9%
Annual Accruals including Contribution Depreciation	15,743.3	17,367.6	1,624.3	10.3%
Retirements/Debits to Depreciation	2,160.8	2,902.8	742.0	34.3%
(Salvage) Cost of Removal	(924.5)	(924.5)	0.0	0.0%
Depreciation Reserve Adjustment	0.0	0.0	0.0	0.0%
Net Acruel	12,658.1	13,540.3	882.2	7.0%
Depreciation Reserve - End of Year	207,209.4	206,428.1	(781.3)	-0.4%
<i>Depreciation Reserve Weighting Factor (6-Year Average)</i>	<i>49.04%</i>	<i>48.99%</i>	<i>-0.1%</i>	<i>-0.1%</i>
Weighted Average Addition	6,207.6	6,632.9	42530.2%	6.9%
Weighted Average Depreciation Reserve	200,759.0	199,520.7	(1,238.3)	-0.6%
<i>Deprec. expense related to CIAC</i>	2,265.9	2,181.0	(84.9)	-3.7%
<i>Allocated GO Depreciation Expense</i>	15,431.6	17,479.9	2,048.3	13.3%
<i>Deprec. expense for summary of earnings calc.</i>	28,909.1	32,666.4	3,757.4	13.0%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Depreciation Reserve - Beginning of Year	207,209.4	206,428.1	(781.3)	-0.4%
Annual Accruals including Contribution Depreciation	17,430.1	19,872.1	2,442.0	14.0%
Retirements/Debits to Depreciation	1,216.3	2,031.8	815.4	67.0%
Salvage/Cost of Removal	(659.5)	(659.5)	0.0	0.0%
Depreciation Reserve Adjustment	0.0	0.0	0.0	0.0%
Net Acruel	15,554.2	17,180.8	1,626.6	10.5%
Depreciation Reserve - End of Year	222,763.6	223,608.9	845.3	0.4%
<i>Depreciation Reserve Weighting Factor (6-Year Average)</i>	<i>49.01%</i>	<i>48.97%</i>	<i>0.0%</i>	<i>-0.1%</i>
Weighted Average Depreciation Reserve	214,833.1	214,840.8	7.6	0.0%
<i>Deprec. expense related to CIAC</i>	2,426.6	2,341.7	(84.9)	-3.5%
<i>Allocated GO Depreciation Expense</i>	17,062.8	20,014.5	2,951.7	17.3%
<i>Deprec. expense for summary of earnings calc.</i>	32,066.3	37,544.9	547860.9%	17.1%

**NORTHERN DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 9-1
WEIGHTED AVERAGE RATE BASE - TEST YEAR**

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Weighted Average Plant In Service including adv for construction	594,629.4	616,858.9	22,229.5	3.7%
<u>Additions to Rate Base:</u>				
Materials and Supplies	369.0	389.3	20.3	5.5%
Working Cash, Operational	913.9	610.3	(303.6)	-33.2%
Working Cash, Lead Lag	6,025.8	8,414.0	2,388.2	39.6%
Total Additions to Rate Base	7,308.7	9,413.6	2,104.9	28.8%
<u>Deductions from Rate Base:</u>				
Weighted Average Depreciation Reserve	(200,759.0)	(199,520.7)	1,238.3	-0.6%
Advances for Construction	(20,122.9)	(19,310.4)	812.5	-4.0%
Unamortized Advances (20-Year Amortization)	0.0	0.0	0.0	0.0%
Contribution In Aid of Contruction (Including Def Rev on CAC)	(64,325.4)	(61,482.3)	2,843.1	-4.4%
Unamortized Contribution (20-Year Amortization)	0.0	0.0	0.0	0.0%
Accumulated Deferred Federal Income Taxes	(17,429.2)	(17,918.4)	(489.2)	2.8%
Accumulated Deferred State Income Taxes	(3,229.2)	(3,454.9)	(225.7)	7.0%
Total Deductions from Rate Base	(305,865.6)	(301,686.7)	4,178.9	-1.4%
Weighted Average Rate Base	296,072.5	324,585.8	28,513.3	9.6%
<u>Interest Calculation (for Tax Deductions):</u>				
Weighted Avg. Rate Base less customer deposits in Working Cash	296,072.5	324,585.8	28,513.3	9.6%
Weighted Cost of Debt	2.51%	2.51%	0.0%	0.0%
Interest Expense	7,431.4	8,147.1	715.7	9.6%
<u>Required return after tax (in \$)</u>				
Weighted Cost of Capital	7.61%	7.61%	0.0%	0.0%
Required Return	22,531.1	24,701.0	2,169.9	9.6%

TABLE 9-2				
WEIGHTED AVERAGE RATE BASE - ESCALATION YEAR				
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Weighted Average Plant In Service including adv for construction	637,823.0	686,139.2	48,316.2	7.6%
Additions to Rate Base:				
Materials and Supplies	380.2	401.1	20.9	5.5%
Working Cash, Operational	1,154.7	579.4	(575.3)	-49.8%
Working Cash, Lead Lag	6,580.4	9,146.4	2,566.0	39.0%
Total Additions to Rate Base	8,115.3	10,126.9	2,011.6	24.8%
Deductions from Rate Base:				
Weighted Average Depreciation Reserve	(214,833.1)	(214,840.8)	(7.6)	0.0%
Advances for Construction	(21,322.3)	(20,491.0)	831.2	-3.9%
Unamortized Advances (20-Year Amortization)	0.0	0.0	0.0	0.0%
Contribution In Aid of Construction (Including Def Rev on CAC)	(67,867.3)	(65,097.4)	2,769.9	-4.1%
Unamortized Contribution (20-Year Amortization)	0.0	0.0	0.0	0.0%
Accumulated Deferred Federal Income Taxes	(19,525.3)	(20,341.3)	(816.1)	4.2%
Accumulated Deferred State Income Taxes	(4,055.7)	(4,430.4)	(374.7)	9.2%
Total Deductions from Rate Base	(327,603.7)	(325,201.0)	2,402.7	-0.7%
Weighted Average Rate Base	318,334.6	371,065.1	52,730.6	16.6%
Interest Calculation (for Tax Deductions):				
Weighted Avg. Rate Base less customer deposits in Working Cash	318,334.6	371,065.1	52,730.6	16.6%
Weighted Cost of Debt	2.51%	2.51%	0.0%	0.0%
Interest Expense	7,990.2	9,313.7	1,323.5	16.6%
Required return after tax (in \$)				
Weighted Cost of Capital	7.61%	7.61%	0.0%	0.0%
Required Return	24,225.3	28,238.1	4,012.8	16.6%

**CENTRAL DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 1-1
SUMMARY OF EARNINGS - TEST YEAR**

Test Year 2024 (\$000)	Cal PA- Present Rates	Cal Am- Present Rates	Cal Am > Cal PA	
Total Revenue	92,484.6	89,727.7	(2,756.9)	-3.0%
<u>Operation and Maintenance Expenses:</u>				
Labor	8,760.4	10,369.1	1,608.8	18.4%
Purchased Water	14,667.3	13,453.7	(1,213.6)	-8.3%
Purchased Power	3,626.7	2,870.7	(756.0)	-20.8%
Chemicals	523.2	668.9	145.7	27.9%
Operation expense	1,863.6	2,778.3	914.7	49.1%
Maintenance (excluding Amortization of Tank Paintin	2,669.8	2,802.5	132.7	5.0%
Amortization of Tank Painting	987.6	987.6	0.0	0.0%
Customer Accounting	367.0	457.3	90.3	24.6%
Uncollectibles*	473.2	4,064.7	3,591.5	759.0%
<u>General and Administrative Expenses:</u>				
Insurance	660.0	665.4	5.4	0.8%
Pensions and Benefits	2,028.9	2,379.7	350.9	17.3%
Regulatory Expense	150.8	157.7	6.9	4.6%
Rents	740.1	789.7	49.5	6.7%
Outside Services	805.1	853.7	48.6	6.0%
Other Administrative & General	3,284.4	3,600.4	316.0	9.6%
Subtotal	41,608.0	46,899.4	5,291.4	12.7%
Service Company	473.0	3,220.3	2,747.3	580.8%
Citizens Acquisition Premium	877.8	877.8	0.0	0.0%
GO Return on Rate Base	835.7	1,500.4	664.7	79.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(1,903.3)	(1,491.1)	412.2	-21.7%
San Clemente Dam	6,245.4	6,245.4	0.0	0.0%
Total O&M and G&A Expenses	48,136.7	57,252.2	9,115.6	18.9%
Depreciation	11,381.1	11,468.8	87.8	0.8%
General Taxes	3,793.1	3,996.1	202.9	5.4%
Total Operating Expenses	63,310.9	72,717.2	9,406.3	14.9%
Income before taxes	29,173.7	17,010.5	(12,163.1)	-41.7%
State Income Taxes	2,017.3	887.3	(1,130.0)	-56.0%
Federal Income Taxes	4,171.5	1,488.1	(2,683.3)	-64.3%
Income After Tax	22,984.9	14,635.1	(8,349.8)	-36.3%
Weighted Average Rate Base	254,232.0	278,947.7	24,715.7	9.7%
Return on Rate Base at Present Rates	9.04%	5.25%	-3.79%	-42.0%

Test Year 2024 (\$000)	Cal PA- Proposed Rates	Cal Am- Proposed Rates	Cal Am > Cal PA	
Total Revenue	87,272.9	99,171.1	11,898.2	13.6%
Operation and Maintenance Expenses:				
Labor	8,760.4	10,369.1	1,608.8	18.4%
Purchased Water	14,667.3	13,453.7	(1,213.6)	-8.3%
Purchased Power	3,626.7	2,870.7	(756.0)	-20.8%
Chemicals	523.2	668.9	145.7	27.9%
Operation expense	1,863.6	2,778.3	914.7	49.1%
Maintenance (excluding Amortization of Tank Painting)	2,669.8	2,802.5	132.7	5.0%
Amortization of Tank Painting	987.6	987.6	0.0	0.0%
Customer Accounting	367.0	457.3	90.3	24.6%
Uncollectibles*	446.6	4,113.9	3,667.3	821.2%
General and Administrative Expenses:				
Insurance	660.0	665.4	5.4	0.8%
Pensions and Benefits	2,028.9	2,379.7	350.9	17.3%
Regulatory Expense	150.8	157.7	6.9	4.6%
Rents	740.1	789.7	49.5	6.7%
Outside Services	805.1	853.7	48.6	6.0%
Other Administrative & General	3,284.4	3,600.4	316.0	9.6%
Subtotal	41,581.4	46,948.6	5,367.2	12.9%
Service Company	473.0	3,220.3	2,747.3	580.8%
Citizens Acquisition Premium	877.8	877.8	0.0	0.0%
GO Return on Rate Base	835.7	1,500.4	664.7	79.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(1,903.3)	(1,491.1)	412.2	-21.7%
San Clemente Dam	6,245.4	6,245.4	0.0	0.0%
Total O&M and G&A Expenses	48,110.1	57,301.4	9,191.4	19.1%
Depreciation	11,381.1	11,468.8	87.8	0.8%
General Taxes	3,793.1	3,996.1	202.9	5.4%
Total Operating Expenses	63,284.3	72,766.4	9,482.1	15.0%
Income before taxes	23,988.6	26,404.7	2,416.2	10.1%
State Income Taxes	1,558.9	1,717.7	158.8	10.2%
Federal Income Taxes	3,082.6	3,460.9	378.3	12.3%
Income After Tax	19,347.0	21,226.1	1,879.0	9.7%
Weighted Average Rate Base	254,232.0	278,947.7	24,715.7	9.7%
Return on Rate Base at Proposed Rates	7.61%	7.61%	0.00%	0.0%

**CENTRAL DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 1-1x
SUMMARY OF EARNINGS - ESCALATION YEAR >>> NOT RECOMMENDED ATTRITION YR SOE**

Escalation Year 2025 (\$000)	Cal PA- Present Rates	Cal Am- Present Rates	Cal Am > Cal PA	
Total Revenue	81,783.4	99,161.5	17,378.1	21.2%
<u>Operation and Maintenance Expenses:</u>				
Labor	8,999.5	10,691.6	1,692.2	18.8%
Purchased Water	15,107.8	13,478.3	(1,629.5)	-10.8%
Purchased Power	3,831.6	2,870.8	(960.8)	-25.1%
Chemicals	539.0	699.3	160.3	29.7%
Operation expense	1,914.0	2,831.5	917.5	47.9%
Maintenance (excluding Amortization of Tank Paintin	2,750.4	2,887.1	136.7	5.0%
Amortization of Tank Painting	1,083.4	1,083.4	0.0	0.0%
Customer Accounting	378.1	471.1	93.1	24.6%
Uncollectibles*	418.5	4,222.5	3,804.0	909.0%
<u>General and Administrative Expenses:</u>				
Insurance	679.8	685.3	5.5	0.8%
Pensions and Benefits	2,088.9	2,451.1	362.3	17.3%
Regulatory Expense	150.8	630.7	479.9	318.2%
Rents	754.0	804.0	50.0	6.6%
Outside Services	829.4	879.5	50.1	6.0%
Other Administrative & General	3,341.5	3,666.7	325.3	9.7%
Subtotal	42,866.5	48,353.0	5,486.5	12.8%
Service Company	487.3	3,313.4	2,826.1	579.9%
Citizens Acquisition Premium	883.5	883.5	0.0	0.0%
GO Return on Rate Base	786.0	1,505.6	719.6	91.5%
Other - Deceptive Pricing Adjustment and Return on T&D	(1,960.7)	(3,014.5)	(1,053.8)	53.7%
San Clemente Dam	6,245.4	6,245.4	0.0	0.0%
Total O&M and G&A Expenses	49,308.1	57,286.5	7,978.4	16.2%
Depreciation	11,949.5	12,301.6	352.0	2.9%
General Taxes	3,882.7	4,176.5	293.7	7.6%
Total Operating Expenses	65,140.3	73,764.5	8,624.2	13.2%
Income before taxes	16,643.0	25,397.0	8,753.9	52.6%
State Income Taxes	898.0	1,594.9	696.9	77.6%
Federal Income Taxes	1,514.2	3,136.5	1,622.3	107.1%
Income After Tax	14,230.8	20,665.5	6,434.7	45.2%
Weighted Average Rate Base	259,496.0	294,146.9	34,650.9	13.4%
Return on Rate Base at Present Rates	5.48%	7.03%	1.54%	28.1%

Calculation Year 2025 (\$000)		Cal PA- Proposed Rates	Cal Am- Proposed Rates	Cal Am > Cal PA	
Total Revenue		89,687.0	101,625.5	11,938.5	13.3%
<u>Operation and Maintenance Expenses:</u>					
	Labor	8,999.5	10,691.6	1,692.2	18.8%
	Purchased Water	15,107.8	13,478.3	(1,629.5)	-10.8%
	Purchased Power	3,831.6	2,870.8	(960.8)	-25.1%
	Chemicals	539.0	699.3	160.3	29.7%
	Operation expense	1,914.0	2,831.5	917.5	47.9%
	Maintenance (excluding Amortization of Tank Painting)	2,750.4	2,887.1	136.7	5.0%
	Amortization of Tank Painting	1,083.4	1,083.4	0.0	0.0%
	Customer Accounting	378.1	471.1	93.1	24.6%
	Uncollectibles*	458.9	4,235.3	3,776.4	822.9%
<u>General and Administrative Expenses:</u>					
	Insurance	679.8	685.3	5.5	0.8%
	Pensions and Benefits	2,088.9	2,451.1	362.3	17.3%
	Regulatory Expense	150.8	630.7	479.9	318.2%
	Rents	754.0	804.0	50.0	6.6%
	Outside Services	829.4	879.5	50.1	6.0%
	Other Administrative & General	3,341.5	3,666.7	325.3	9.7%
	Subtotal	42,906.9	48,365.8	5,458.9	12.7%
	Service Company	487.3	3,313.4	2,826.1	579.9%
	Citizens Acquisition Premium	883.5	883.5	0.0	0.0%
	GO Return on Rate Base	786.0	1,505.6	719.6	91.5%
	Other - Deceptive Pricing Adjustment and Return on T&D	(1,960.7)	(3,014.5)	(1,053.8)	53.7%
	San Clemente Dam	6,245.4	6,245.4	0.0	0.0%
	Total O&M and G&A Expenses	49,348.5	57,299.3	7,950.8	16.1%
	Depreciation	11,949.5	12,301.6	352.0	2.9%
	General Taxes	3,882.7	4,176.5	293.7	7.6%
	Total Operating Expenses	65,180.7	73,777.3	8,596.6	13.2%
	Income before taxes	24,506.3	27,848.2	3,341.9	13.6%
	State Income Taxes	1,593.1	1,811.6	218.5	13.7%
	Federal Income Taxes	3,165.5	3,651.3	485.8	15.3%
	Income After Tax	19,747.7	22,385.3	2,637.6	13.4%
	Weighted Average Rate Base	259,496.0	294,146.9	34,650.9	13.4%
	Return on Rate Base at Proposed Rates	7.61%	7.61%	0.00%	0.0%

**CENTRAL DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 1-2
SUMMARY OF EARNINGS - ESCALATION YEARS**

For Illustrative Purposes (\$000)	Cal PA 2025	Cal PA 2026	2025 to 2026 Increase	
Total Revenue	89,687.0	91,436.4	1,749.4	2.0%
<u>Operation and Maintenance Expenses:</u>				
Labor	8,999.5	9,271.3	271.8	3.0%
Purchased Water	15,107.8	15,107.8	0.0	0.0%
Purchased Power	3,831.6	3,831.6	0.0	0.0%
Chemicals	539.0	555.3	16.3	3.0%
Operation expense	1,914.0	1,965.9	51.9	2.7%
Maintenance (excluding Amortization of Tank Painting)	2,750.4	2,829.5	79.1	2.9%
Amortization of Tank Painting	1,083.4	1,116.2	32.7	3.0%
Customer Accounting	378.1	389.5	11.4	3.0%
Uncollectibles	458.9	427.4	(31.5)	-6.9%
<u>General and Administrative Expenses:</u>				
Insurance	679.8	700.2	20.4	3.0%
Pensions and Benefits	2,088.9	2,151.9	63.1	3.0%
Regulatory Expense	150.8	150.8	0.0	0.0%
Rents	754.0	754.5	0.5	0.1%
Outside Services	829.4	854.5	25.0	3.0%
Other Administrative & General	3,341.5	3,419.3	77.8	2.3%
Subtotal	42,906.9	43,525.6	618.6	1.4%
Service Company	487.3	502.0	14.7	3.0%
Citizens Acquisition Premium	883.5	889.4	5.9	0.7%
GO Return on Rate Base	786.0	736.3	(49.7)	-6.3%
Other - Deceptive Pricing Adjustment and Return on T&D	(1,960.7)	(2,020.0)	(59.2)	3.0%
San Clemente Dam	6,245.4	6,245.4	0.0	0.0%
Total O&M and G&A Expenses	49,348.5	49,878.8	530.3	1.1%
Depreciation	11,949.5	12,518.0	568.4	4.8%
General Taxes	3,882.7	3,992.8	110.1	2.8%
Total Operating Expenses	65,180.7	66,389.6	1,208.9	1.9%
Income before taxes	24,506.3	25,046.8	540.6	2.2%
Total Income Taxes	4,758.6	4,898.6	140.0	2.9%
Income After Tax	19,747.7	20,148.2	400.6	2.0%
Weighted Average Rate Base	259,496.0	264,760.1	5,264.1	2.0%
Return on Rate Base	7.61%	7.61%	(0.0)	0.0%

**CENTRAL DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 2-1
AVERAGE WATER SALES PER CUSTOMER (OR PER CONNECTION)**

Test Year 2024 (CCF/connection/year)*	Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Water Sales:				
Residential	376.2	376.2	0.0	0.0%
Multiresidential	266.0	266.0	0.0	0.0%
Multiresidential (Mstr Mtr)	0.0	0.0	0.0	0.0%
Commercial	1,301.7	1,301.7	0.0	0.0%
Industrial	1,531.3	1,531.3	0.0	0.0%
Public Authority	1,640.1	1,640.1	0.0	0.0%
Sales for Resale	1,820.2	1,820.2	0.0	0.0%
Other	133.0	133.0	0.0	0.0%
Golf Courses	0.0	0.0	0.0	0.0%
Construction	251.4	251.4	0.0	0.0%
Irrigation Gravity	0.0	0.0	0.0	0.0%
Irrigation Pressure	0.0	0.0	0.0	0.0%
Private Fire	0.0	0.0	0.0	0.0%
Private Fire Mandated	0.0	0.0	0.0	0.0%
Public Fire	0.0	0.0	0.0	0.0%
Hotel	0.0	0.0	0.0	0.0%
Residential Flat	0.0	0.0	0.0	0.0%
Commercial (Flat)	0.0	0.0	0.0	0.0%
Unmetered	0.0	0.0	0.0	0.0%
Reserved	0.0	0.0	0.0	0.0%
Reserved	0.0	0.0	0.0	0.0%

Escalation Year 2025 (CCF/connection/year)*		Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Water Sales:					
	Residential	376.2	376.2	0.0	0.0%
	Multiresidential	266.0	266.0	0.0	0.0%
	Multiresidential (Mstr Mtr)	0.0	0.0	0.0	0.0%
	Commercial	1,301.7	1,301.7	0.0	0.0%
	Industrial	1,531.3	1,531.3	0.0	0.0%
	Public Authority	1,640.1	1,640.1	0.0	0.0%
	Sales for Resale	1,820.2	1,820.2	0.0	0.0%
	Other	133.0	133.0	0.0	0.0%
	Golf Courses	0.0	0.0	0.0	0.0%
	Construction	251.4	251.4	0.0	0.0%
	Irrigation Gravity	0.0	0.0	0.0	0.0%
	Irrigation Pressure	0.0	0.0	0.0	0.0%
	Private Fire	0.0	0.0	0.0	0.0%
	Private Fire Mandated	0.0	0.0	0.0	0.0%
	Public Fire	0.0	0.0	0.0	0.0%
	Hotel	0.0	0.0	0.0	0.0%
	Residential Flat	0.0	0.0	0.0	0.0%
	Commercial (Flat)	0.0	0.0	0.0	0.0%
	Unmetered	0.0	0.0	0.0	0.0%
	Reserved	0.0	0.0	0.0	0.0%
	Reserved	0.0	0.0	0.0	0.0%

**CENTRAL DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 2-2
AVERAGE NUMBER OF CUSTOMERS (SERVICE CONNECTIONS)**

Test Year 2024	Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Customers (Service Connections):				
Residential	34,121	34,121	0	0%
Multiresidential	1,729	1,729	0	0%
Multiresidential (Mstr Mtr)	0	0	0	0%
Commercial	3,316	3,316	0	0%
Industrial	4	4	0	0%
Public Authority	511	511	0	0%
Sales for Resale	2	2	0	0%
Other	1	1	0	0%
Golf Courses	0	0	0	0%
Construction	27	27	0	0%
Irrigation Gravity	0	0	0	0%
Irrigation Pressure	0	0	0	0%
Private Fire	0	0	0	0%
Private Fire Mandated	0	0	0	0%
Private Fire Protection Service	1,052	1,052	0	0%
Hotel	0	0	0	0%
Residential Flat	0	0	0	0%
Commercial (Flat)	0	0	0	0%
Unmetered	0	0	0	0%
Reserved	0	0	0	0%
Reserved	0	0	0	0%
Total	40,763	40,763	0	0%

Escalation Year 2025		Cal PA	Cal Am	Cal Am > Cal PA	
Average Metered Customers (Service Connections):					
	Residential	34,122	34,122	0	0%
	Multiresidential	1,729	1,729	0	0%
	Multiresidential (Mstr Mtr)	0	0	0	0%
	Commercial	3,316	3,316	0	0%
	Industrial	4	4	0	0%
	Public Authority	511	511	0	0%
	Sales for Resale	2	2	0	0%
	Other	1	1	0	0%
	Golf Courses	0	0	0	0%
	Construction	27	27	0	0%
	Irrigation Gravity	0	0	0	0%
	Irrigation Pressure	0	0	0	0%
	Private Fire	0	0	0	0%
	Private Fire Mandated	0	0	0	0%
	Private Fire Protection Service	1,052	1,052	0	0%
	Hotel	0	0	0	0%
	Residential Flat	0	0	0	0%
	Commercial (Flat)	0	0	0	0%
	Unmetered	0	0	0	0%
	Reserved	0	0	0	0%
	Reserved	0	0	0	0%
	Total	40,764	40,764	0	0%

**CENTRAL DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 2-3
TOTAL SALES AND SUPPLY**

Test Year 2024 (KCCF)	Cal PA	Cal Am	Cal Am > Cal PA	
Metered Customers				
Residential	2,101,897	1,997,291	(104,606)	-5%
Multiresidential	489,445	459,895	(29,550)	-6%
Multiresidential (Mstr Mtr)	0	0	0	0%
Commercial	1,134,715	1,138,444	3,729	0%
Industrial	7,650	6,124	(1,526)	-20%
Public Authority	198,809	193,674	(5,135)	-3%
Sales for Resale	3,640	3,640	0	0%
Other	133	133	0	0%
Golf Courses	0	0	0	0%
Construction	6,788	6,788	0	0%
Irrigation Gravity	0	0	0	0%
Irrigation Pressure	0	0	0	0%
Private Fire	0	0	0	0%
Private Fire Mandated	0	0	0	0%
Private Fire Protection Service	0	0	0	0%
Hotel	0	0	0	0%
Residential Flat	0	0	0	0%
Commercial (Flat)	0	0	0	0%
Unmetered	0	0	0	0%
Reserved	0	0	0	0%
Reserved	0	0	0	0%
Total Sales	3,943,077	3,805,989	(137,088)	-3%

Escalation Year 2025 (KCCF)		Cal PA	Cal Am	Cal Am > Cal PA	
Metered Customers (Service Connections):					
	Residential	2,102,032	1,997,424	(104,608)	-5%
	Multiresidential	489,445	459,895	(29,550)	-6%
	Multiresidential (Mstr Mtr)	0	0	0	0%
	Commercial	1,134,715	1,138,444	3,729	0%
	Industrial	7,650	6,124	(1,526)	-20%
	Public Authority	198,809	193,674	(5,135)	-3%
	Sales for Resale	3,640	3,640	0	0%
	Other	133	133	0	0%
	Golf Courses	0	0	0	0%
	Construction	6,788	6,788	0	0%
	Irrigation Gravity	0	0	0	0%
	Irrigation Pressure	0	0	0	0%
	Private Fire	0	0	0	0%
	Private Fire Mandated	0	0	0	0%
	Private Fire Protection Service	0	0	0	0%
	Hotel	0	0	0	0%
	Residential Flat	0	0	0	0%
	Commercial (Flat)	0	0	0	0%
	Unmetered	0	0	0	0%
	Reserved	0	0	0	0%
	Reserved	0	0	0	0%
	Total Sales	3,943,212	3,806,122	(137,090)	-3%

CENTRAL DIVISION				
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001				
TABLE 2-4				
OPERATING REVENUES AT PRESENT RATES				
Test Year 2024 (\$)	Cal PA	Cal Am	Cal Am > Cal PA	
METERED SALES REVENUE				
Residential	50,159,800	48,263,591	(1,896,209.0)	-3.8%
Multiresidential	8,942,163	8,525,634	(416,529.0)	-4.7%
Multiresidential (Mstr Mtr)	0	0	0.0	0.0%
Commercial	25,532,722	25,544,250	11,528.0	0.0%
Industrial	166,383	136,691	(29,692.0)	-17.8%
Public Authority	5,088,515	4,978,122	(110,393.0)	-2.2%
Sales for Resale	70,931	69,872	(1,059.0)	-1.5%
Other	2,840	2,832	(8.0)	-0.3%
Golf Courses	0	0	0.0	0.0%
Construction	467,771	363,539	(104,232.0)	-22.3%
Irrigation Gravity	0	0	0.0	0.0%
Irrigation Pressure	0	0	0.0	0.0%
Residential Fire Protection Service	797,000	826,229	29,229.0	3.7%
Private Fire Mandated	0	0	0.0	0.0%
Private Fire Protection Service	780,881	780,881	0.0	0.0%
Hotel	0	0	0.0	0.0%
Reserved	0	0	0.0	0.0%
Total Metered Revenues	92,009,006	89,491,641	(2,517,365)	-2.7%
NON-METERED REVENUE				
Residential Flat	0	0	0.0	0.0%
Commercial (Flat)	0	0	0.0	0.0%
Unmetered	0	0	0.0	0.0%
Reserved	0	0	0.0	0.0%
Total Non-Metered Revenue	0.0	0.0	0.0	0.0%
OTHER REVENUE				
Method 5 Revenues	0	0	0.0	0.0%
Contract Revenues	0	0	0.0	0.0%
Antenna Leases	0	0	0.0	0.0%
Additional NTPS Rev	0	0	0.0	0.0%
Misc Service Revenues	0	0	0.0	0.0%
Late Payment Penalty	0	0	0.0	0.0%
Rents	0	0	0.0	0.0%
Leak Adjustments	0	0	0.0	0.0%
DSIC	0	0	0.0	0.0%
Other	2,840	2,832	(8.0)	-0.3%
Subtotal Other Revenue	2,840	2,832	(8)	-0.3%
TOTAL OPERATING REVENUES	92,011,846	89,494,473	(2,517,373)	-2.7%
Total Revenues at Present Rates, TY 2024	92,011,846	89,494,473	(2,517,373)	-2.7%

Allocation Year 2025 (\$)		Cal PA	Cal Am	Cal Am > Cal PA	
METERED SALES REVENUE					
Residential	42,838,948	48,161,052	5,322,104	12.4%	
Multiresidential	8,568,268	9,495,070	926,802	10.8%	
Multiresidential (Mstr Mtr)	0	0	0	0.0%	
Commercial	23,011,287	31,518,853	8,507,566	37.0%	
Industrial	148,660	170,871	22,211	14.9%	
Public Authority	4,699,349	7,223,092	2,523,743	53.7%	
Sales for Resale	45,401	54,559	9,158	20.2%	
Other	3,819	5,619	1,800	47.1%	
Golf Courses	0	0	0	0.0%	
Construction	309,173	367,674	58,501	18.9%	
Irrigation Gravity	0	0	0	0.0%	
Irrigation Pressure	0	0	0	0.0%	
Residential Fire Protection Service	892,499	1,138,251	245,752	27.5%	
Private Fire Mandated	0	0	0	0.0%	
Private Fire Protection Service	789,668	789,668	0	0.0%	
Hotel	0	0	0	0.0%	
Reserved	0	0	0	0.0%	
Total Metered Revenues	81,307,072	98,924,709	17,617,637	21.7%	
NON-METERED REVENUE					
Residential Flat	0	0	0	0.0%	
Commercial (Flat)	0	0	0	0.0%	
Unmetered	0	0	0	0.0%	
Res Reserved	0	0	0	0.0%	
Total Non-Metered Revenue	0.0	0.0	0	0.0%	
OTHER REVENUE					
Method 5 Revenues	0	0	0	0.0%	
Contract Revenues	0	0	0	0.0%	
Antenna Leases	0	0	0	0.0%	
Additional NTPS Rev	0	0	0	0.0%	
Misc Service Revenues	0	0	0	0.0%	
Late Payment Penalty	0	0	0	0.0%	
Rents	0	0	0	0.0%	
Leak Adjustments	0	0	0	0.0%	
DSIC	0	0	0	0.0%	
Other	3,819	5,619	1,800	47.1%	
Total Other Revenues	3,819	5,619	1,800	47.1%	
TOTAL OPERATING REVENUES	81,310,891	98,930,328	17,619,437	21.7%	
Total Rev at Present Rates, EY 2025	81,310,891	98,930,328	17,619,437	21.7%	

CENTRAL DIVISION					
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001					
TABLE 3-1					
OPERATIONS & MAINTENANCE EXPENSES - TEST YEAR					
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA		
<u>Expenses(Operation, Maintenance, and A&G):</u>					
Labor	8,760.4	10,369.1	1,608.8	18.4%	
Purchased Water	14,667.3	13,453.7	(1,213.6)	-8.3%	
Purchased Power	3,626.7	2,870.7	(756.0)	-20.8%	
Chemicals	523.2	668.9	145.7	27.9%	
Operation Expense	1,863.6	2,778.3	914.7	49.1%	
Maintenance Expense (excluding Amort Tank Paintin	2,669.8	2,802.5	132.7	5.0%	
Amortization of Tank Painting	987.6	987.6	0.0	0.0%	
Customer Accounting	367.0	457.3	90.3	24.6%	
Insurance (Property and Injuries & Damages)	660.0	665.4	5.4	0.8%	
Pensions and Benefits	2,028.9	2,379.7	350.9	17.3%	
Regulatory Expense	150.8	157.7	6.9	4.6%	
Rents	740.1	789.7	49.5	6.7%	
Other Administrative and General	3,284.4	3,600.4	316.0	9.6%	
Subtotal	40,329.7	41,981.0	1,651.3	4.1%	
Service Company	473.0	3,220.3	2,747.3	580.8%	
Citizens Acquisition Premium	877.8	877.8	0.0	0.0%	
GO Return on Rate Base	835.7	1,500.4	664.7	79.5%	
SS Pricing Adjustment	(1,903.3)	-	1,903.3	-100.0%	
Return on T&D Net Plant Consolidation	-	(1,491.1)	(1,491.1)	0.0%	
San Clemente Dam	6,245.4	6,245.4	0.0	0.0%	
Total Expenses excluding Uncollectibles	46,858.4	52,333.9	5,475.5	11.7%	
<u>At Present Rates</u>					
Total Revenues (including deferred Revenue on CIAC)	92,484.6	89,727.7	(2,756.9)	-3.0%	
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%	
Uncollectibles Expense	473.2	467.2	(6.1)	-1.3%	
Leak Adjustment - Uncollectibles	0.0	3,597.5	3,597.5	0.0%	
Total Uncollectibles Expense	473.2	4,064.7	3,591.4	758.9%	
Total Expenses including Uncollectibles (at Present Rate)	47,331.6	56,398.6	9,066.9	19.2%	
<u>At Proposed Rates</u>					
Total Revenues (including deferred Revenue on CIAC)	87,272.9	99,171.1	11,898.2	13.6%	
Uncollectible Rate	0.5117%	0.5207%	0.0090%	1.8%	
Uncollectibles Expense	446.6	516.3	69.8	15.6%	
Leak Adjustment - Uncollectibles	0.0	3,597.5	3,597.5	0.0%	
Total Uncollectibles Expense	446.6	4,113.9	3,667.3	821.2%	
Total Expenses including Uncollectibles (at Proposed Rate)	47,305.0	56,447.7	9,142.7	19.3%	

TABLE 3-2				
OPERATIONS & MAINTENANCE EXPENSES - ESCALATION YEAR				
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
<u>Expenses (Operation, Maintenance, and A&G):</u>				
Labor	8,999.5	10,691.6	1,692.2	18.8%
Purchased Water	15,107.8	13,478.3	(1,629.5)	-10.8%
Purchased Power	3,831.6	2,870.8	(960.8)	-25.1%
Chemicals	539.0	699.3	160.3	29.7%
Operation Expense	1,914.0	2,831.5	917.5	47.9%
Maintenance Expense (excluding Amort Tank Paintin	2,750.4	2,887.1		
Amortization of Tank Painting	1,083.4	1,083.4		
Customer Accounting	378.1	471.1	93.1	24.6%
Insurance (Property and Injuries & Damages)	679.8	685.3	5.5	0.8%
Pensions and Benefits	2,088.9	2,451.1	362.3	17.3%
Regulatory Expense	150.8	630.7	479.9	318.2%
Rents	754.0	804.0	50.0	6.6%
Other Administrative and General	3,341.5	3,666.7	325.3	9.7%
Subtotal	41,618.6	43,251.0	1,632.4	3.9%
Service Company	487.3	3,313.4	2,826.1	579.9%
Citizens Acquisition Premium	883.5	883.5	0.0	0.0%
GO Return on Rate Base	786.0	1,505.6	719.6	91.5%
SS Pricing Adjustment	(1,960.7)	-		
Return on T&D Net Plant Consolidation	-	(3,014.5)		
Reserved	6,245.4	6,245.4		
Total O&M excluding Uncollectibles	48,060.2	52,184.5	4,124.4	8.6%
<u>At Present Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	81,783.4	99,161.5	17,378.1	21.2%
<i>Uncollectible Rate</i>	<i>0.5117%</i>	<i>0.5207%</i>	<i>0.0090%</i>	<i>1.8%</i>
Uncollectibles Expense	418.5	516.3	97.8	23.4%
Leak Adjustment - Uncollectibles	0.0	3,706.2	3,706.2	0.0%
Total Uncollectibles Expense	418.5	4,222.5	3,804.0	909.0%
Total O&M Expenses including Uncollectibles (at Present Rate)	48,478.7	56,407.0	7,928.3	16.4%
<u>At Proposed Rates</u>				
Total Revenues (including deferred Revenue on CIAC)	89,687.0	101,625.5	11,938.5	13.3%
<i>Uncollectible Rate</i>	<i>0.5117%</i>	<i>0.5207%</i>	<i>0.0090%</i>	<i>1.8%</i>
Uncollectibles Expense	458.9	529.1	70.2	15.3%
Leak Adjustment - Uncollectibles	0.0	3,706.2	3,706.2	0.0%
Total Uncollectibles Expense	458.9	4,235.3	3,776.4	822.9%
Total O&M Expenses including Uncollectibles (at Proposed Rate)	48,519.1	56,419.8	7,900.7	16.3%

CENTRAL DIVISION				
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001				
TABLE 4-1				
TOTAL EXPENSES EXCLUDING PAYROLL				
(For Information Only)				
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operation Expenses (Excluding Payroll):				
702 SS Operation Labor and Expenses	0.0	0.0	0.0	0.0%
703 SS Miscellaneous Expenses	12.5	13.2	0.7	5.6%
704 SS Purchased Water	14,667.3	13,453.7	(1,213.6)	-8.3%
722 PP Power production Labor and Exp	0.0	0.0	0.0	0.0%
724 PP Pumping Labor and Expenses	0.0	0.0	0.0	0.0%
725 PP Miscellaneous Expenses	636.6	672.1	35.6	5.6%
726 PP Fuel or Power Purchased for Pumping	3,626.7	2,870.7	(756.0)	-20.8%
742 WT Operation Labor and Expenses	49.5	52.4	2.8	5.7%
743 WT Miscellaneous Expenses	538.5	566.5	28.0	5.2%
744 WT Chemicals and Filtering Materials	523.2	668.9	145.7	27.9%
752 TD Storage Facilities Expenses	0.0	241.0	241.0	0.0%
753 TD Transmission and Distribution	0.0	0.0	0.0	0.0%
754 TD Meter Expenses	0.0	0.0	0.0	0.0%
755 TD Customer Installations Expense	0.0	0.0	0.0	0.0%
756 TD Miscellaneous Expenses	626.6	1,233.1	606.6	96.8%
772 CA Meter Reading Expenses	0.0	0.0	0.0	6.4%
773 CA Customer Records and Collection	131.7	139.0	7.2	5.5%
774 CA Miscellaneous Customer Account	235.3	318.4	83.1	35.3%
775 CA Uncollectible Accounts	473.2	4,064.7	3,591.4	758.9%
999 Divisional Allocation	0.0	0.0	0.0	0.0%
Total Operation Expenses (Excluding Payroll)	21,521.0	24,293.7	2,772.7	12.9%
Maintenance Expense				
707 SS Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
708 SS Maint of Collecting and Imp Resrv	0.0	0.0	0.0	0.0%
709 SS Maintenance of Lake, River and Intakes	0.0	0.0	0.0	0.0%
710 SS Maintenance of Springs and Tunnels	0.0	0.0	0.0	0.0%
711 SS Maintenance of Wells	0.0	0.0	0.0	0.0%
712 SS Maintenance of Supply Mains	0.0	0.0	0.0	0.0%
713 SS Maintenance of Other Source of Supply	404.1	426.7	22.6	5.6%
730 PP Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
731 PP Maintenance of Power Production	0.0	0.0	0.0	0.0%
733 PP Maintenance of Other Pumping	102.5	108.5	6.1	5.9%
747 WT Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
748 WT Maintenance of Wter Treatment	156.8	165.1	8.3	5.3%
759 TD Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
760 TD Maintenance of Reservoirs and Tanks	0.0	0.0	0.0	0.0%
761 TD Maintenance of Transmission and Distr	34.1	36.1	2.0	5.9%
762 TD Maintenance of Fire Mains	0.0	0.0	0.0	0.0%
763 TD Maintenance of Services	30.6	32.5	1.9	6.1%
764 TD Maintenance of Meters	0.1	0.1	0.0	6.4%
765 TD Maintenance of Hydrants	0.1	0.1	0.0	5.1%
766 TD Maintenance of Miscellaneous Plant	2,929.0	3,020.9	91.8	3.1%
Total Maintenance Expense	3,657.3	3,790.0	132.7	3.6%
Administrative & General Expenses:				
791 AG Admin and General Salaries	0.0	0.0	0.0	0.0%
792 AG Office Supplies and Other Exp	137.1	141.8	4.7	3.4%
793 AG Property Insurance	178.7	178.7	0.0	0.0%
794 AG Injuries and Damages	481.3	486.7	5.4	1.1%
795 AG Employees' Pensions and Benefits	2,028.9	2,379.7	350.9	17.3%
797 AG Regulatory Commission Expenses	150.8	157.7	6.9	4.6%
798 AG Outside Services Employed	805.1	853.7	48.6	6.0%
799 AG Miscellaneous General Expenses	3,000.0	3,302.1	302.1	10.1%
805 AG Maintenance of General Plant	147.3	156.5	9.2	6.2%
811 AG Rents	740.1	789.7	49.5	6.7%
Total Administrative and General Expenses	7,669.3	8,446.5	777.2	10.1%

Escalation Year 2025 (\$000)		Cal PA	Cal Am	Cal Am > Cal PA	
<u>Operation Expenses (Excluding Payroll):</u>					
702	SS Operation Labor and Expenses	0.0	0.0	0.0	0.0%
703	SS Miscellaneous Expenses	12.8	13.6	0.7	5.6%
704	SS Purchased Water	15,107.8	13,478.3	(1,629.5)	-10.8%
722	PP Power production Labor and Exp	0.0	0.0	0.0	0.0%
724	PP Pumping Labor and Expenses	0.0	0.0	0.0	0.0%
725	PP Miscellaneous Expenses	655.8	692.4	36.6	5.6%
726	PP Fuel or Power Purchased for Pumping	3,831.6	2,870.8	(960.8)	-25.1%
742	WT Operation Labor and Expenses	51.0	53.9	2.9	5.7%
743	WT Miscellaneous Expenses	554.7	583.6	28.9	5.2%
744	WT Chemicals and Filtering Materials	539.0	699.3	160.3	29.7%
752	TD Storage Facilities Expenses	0.0	241.0	241.0	0.0%
753	TD Transmission and Distribution	0.0	0.0	0.0	0.0%
754	TD Meter Expenses	0.0	0.0	0.0	0.0%
755	TD Customer Installations Expense	0.0	0.0	0.0	0.0%
756	TD Miscellaneous Expenses	639.6	1,246.9	607.3	95.0%
772	CA Meter Reading Expenses	0.0	0.0	0.0	6.4%
773	CA Customer Records and Collection	135.7	143.1	7.5	5.5%
774	CA Miscellaneous Customer Account	242.4	328.0	85.6	35.3%
775	CA Uncollectible Accounts	418.5	4,222.5	3,804.0	909.0%
999	Divisional Allocation	0.0	0.0	0.0	0.0%
Total Operation Expenses (Excluding Payroll)		22,188.9	24,573.4	2,384.5	10.7%
<u>Maintenance Expense</u>					
707	SS Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
708	SS Maint of Collecting and Imp Resrv	0.0	0.0	0.0	0.0%
709	SS Maintenance of Lake, River and Intakes	0.0	0.0	0.0	0.0%
710	SS Maintenance of Springs and Tunnels	0.0	0.0	0.0	0.0%
711	SS Maintenance of Wells	0.0	0.0	0.0	0.0%
712	SS Maintenance of Supply Mains	0.0	0.0	0.0	0.0%
713	SS Maintenance of Other Source of Supply	416.3	439.6	23.3	5.6%
730	PP Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
731	PP Maintenance of Power Production	0.0	0.0	0.0	0.0%
733	PP Maintenance of Other Pumping	105.6	111.8	6.2	5.9%
747	WT Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
748	WT Maintenance of Wter Treatment	161.6	170.1	8.5	5.3%
759	TD Maintenance of Structures and Impr	0.0	0.0	0.0	0.0%
760	TD Maintenance of Reservoirs and Tanks	0.0	0.0	0.0	0.0%
761	TD Maintenance of Transmission and Distr	35.1	37.2	2.1	5.9%
762	TD Maintenance of Fire Mains	0.0	0.0	0.0	0.0%
763	TD Maintenance of Services	31.5	33.5	1.9	6.1%
764	TD Maintenance of Meters	0.1	0.1	0.0	6.4%
765	TD Maintenance of Hydrants	0.1	0.1	0.0	5.1%
766	TD Maintenance of Miscellaneous Plant	3,083.5	3,178.1	94.6	3.1%
Total Maintenance Expense		3,833.8	3,970.5	136.7	3.6%
<u>Administrative & General Expenses:</u>					
791	Salaries	0.0	0.0	0.0	0.0%
792	Office Supplies	139.6	144.5	4.8	3.5%
793	Property Insurance	184.1	184.1	0.0	0.0%
794	Injuries and Damages	495.7	501.3	5.5	1.1%
795	Pensions,Benefits & PBOP	2,088.9	2,451.1	362.3	17.3%
797	Regulatory Commission	150.8	630.7	479.9	318.2%
798	Outside Services	829.4	879.5	50.1	6.0%
799	General Corporate	3,050.1	3,361.0	311.0	10.2%
805	Dues & Membership	151.7	161.2	9.5	6.2%
811	Rents	754.0	804.0	50.0	6.6%
Total Administrative and General Expenses		7,844.3	9,117.4	1,273.0	16.2%

**CENTRAL DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 5-1
TAXES OTHER THAN INCOME**

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
OTHER TAXES				
Ad Valorem	3,087.5	3,198.3	110.8	3.6%
Franchise Taxes	0.0	0.0	0.0	0.0%
Payroll Taxes	667.9	758.1	90.2	13.5%
Other	37.7	39.7	2.0	5.3%
Non-Utility	0.0	0.0	0.0	0.0%
Total Taxes Other Than Income, At Proposed Rates	3,793.1	3,996.1	202.9	5.4%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
OTHER TAXES				
Ad Valorem	3,160.2	3,357.4	197.2	6.2%
Franchise Taxes	0.0	0.0	0.0	0.0%
Payroll Taxes	683.7	778.2	94.5	13.8%
Other	38.8	40.9	2.1	5.3%
Non-Utility	0.0	0.0	0.0	0.0%
Total Taxes Other Than Income, At Proposed Rates	3,882.7	4,176.5	293.7	7.6%

**CENTRAL DIVISION
CALIFORNIA AMERICAN WATER COMPANY A.22-07-001**

**TABLE 6-1
TAXES BASED ON INCOME - TEST YEAR AT PRESENT RATES**

For Illustrative Purposes (\$000)				
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenue at Present Rates	92,484.6	89,727.7	(2,756.9)	-3.0%
Deductions:				
Operating Exps less uncollectibles	46,858.4	52,333.9	5,475.5	11.7%
Uncollectibles	473.2	4,064.7	3,591.4	758.9%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	11,381.1	11,468.8	87.8	0.8%
Interest Expense	6,381.2	7,001.6	620.4	9.7%
General Taxes	3,793.1	3,996.1	202.9	5.4%
Non-deductible Meals	(30.0)	(30.0)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	68,857.1	78,835.1	9,978.0	14.5%
Total Deductions for State Tax	68,857.1	78,835.1	9,978.0	14.5%
Taxable Income - State	23,627.5	10,892.6	(12,734.9)	-53.9%
State Income Tax @ (see below)	2,088.7	962.9	(1,125.8)	-53.9%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	2,088.7	962.9	(1,125.8)	-53.9%
Estimated State tax for 2023	1,471.4	1,125.4	(345.9)	-23.5%
Taxable Income - Federal	22,156.1	9,767.2	(12,389.0)	-55.9%
Federal Income Tax @ (See below)	4,652.8	2,051.1	(2,601.7)	-55.9%
Less: Amort Deferred Federal ITC	(32.1)	(32.1)	0.0	0.0%
FEDERAL INCOME TAX	4,620.7	2,019.1	(2,601.7)	-56.3%
<i>State Income Tax Rate</i>	8.84%	8.84%	0.0%	0.0%
<i>Federal Income Tax Rate</i>	21.00%	21.00%	0.0%	0.0%
Total Income Taxes for Revenues at Present Rates	6,709.4	2,982.0	(3,727.4)	-55.6%

TABLE 6-2				
TAXES BASED ON INCOME - TEST YEAR AT PROPOSED RATES				
For Illustrative Purposes (\$000)				
Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenue at Proposed Rates	87,272.9	99,171.1	11,898.2	13.6%
Deductions:				
Operating Expenses excluding uncollectibles	46,858.4	52,333.9	5,475.5	11.7%
Uncollectibles	446.6	4,113.9	3,667.3	821.2%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	11,381.1	11,468.8	87.8	0.8%
Interest Expense	6,381.2	7,001.6	620.4	9.7%
General Taxes	3,793.1	3,996.1	202.9	5.4%
Non-deductible Meals	(30.0)	(30.0)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	68,830.4	78,884.3	10,053.8	14.6%
Total Deductions for State Tax	68,830.4	78,884.3	10,053.8	14.6%
Taxable Income - State	18,442.4	20,286.8	1,844.4	10.0%
State Income Tax @8.84%	1,630.3	1,793.4	163.0	10.0%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	1,630.3	1,793.4	163.0	10.0%
Estimated State tax for 2023	1,471.4	1,125.4	(345.9)	-23.5%
Taxable Income - Federal	16,971.1	19,161.4	2,190.3	12.9%
Federal Income Tax @21%	3,563.9	4,023.9	460.0	12.9%
Less: Amort Deferred Federal ITC	(32.1)	(32.1)	0.0	0.0%
FEDERAL INCOME TAX	3,531.9	3,991.8	460.0	13.0%
State Income Tax Rate				
	8.84%	8.84%	0.0%	0.0%
Federal Income Tax Rate				
	21.00%	21.00%	0.0%	0.0%
Total Income Taxes for Revenues at Proposed Rates	5,162.2	5,785.2	623.0	12.1%

TABLE 6-3				
TAXES BASED ON INCOME - ESCALATION YEAR AT PRESENT RATES				
For Illustrative Purposes (\$000)				
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenues at Present Rates	81,783.4	99,161.5	17,378.1	21.2%
Deductions:				
Operating Expenses excluding uncollectibles	48,060.2	52,184.5	4,124.4	8.6%
Uncollectibles	418.5	516.3	97.8	23.4%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	11,949.5	12,301.6	352.0	2.9%
Interest Expense	6,513.4	7,383.1	869.7	13.4%
General Taxes	3,882.7	4,176.5	293.7	7.6%
Non-deductible Meals	(30.9)	(30.9)	(0.0)	0.0%
Total Deductions				
Total Deductions for Federal Tax	<u>70,793.4</u>	<u>76,531.1</u>	5,737.7	8.1%
Total Deductions for State Tax	<u>70,793.4</u>	<u>76,531.1</u>	5,737.7	8.1%
Taxable Income - State	<u>10,990.0</u>	<u>22,630.4</u>	11,640.4	105.9%
State Income Tax @ (see below)	971.5	2,000.5	1,029.0	105.9%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	<u>971.5</u>	<u>2,000.5</u>	1,029.0	105.9%
Estimated State tax for 2024	2,088.7	962.9	(1,125.8)	-53.9%
Taxable Income - Federal	<u>8,901.3</u>	<u>21,667.5</u>	12,766.2	143.4%
Federal Income Tax @ (See below)	1,869.3	4,550.2	2,680.9	143.4%
Less: Amort Deferred Federal ITC	(32.1)	(32.1)	0.0	0.0%
FEDERAL INCOME TAX	<u>1,837.2</u>	<u>4,518.1</u>	2,680.9	145.9%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	0.0%	0.0%
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	0.0%	0.0%
Total Income Taxes for Revenues at Present Rates	<u>2,808.7</u>	<u>6,518.7</u>	<u>3,709.9</u>	<u>132.1%</u>

TABLE 6-4				
TAXES BASED ON INCOME - ESCALATION YEAR AT PROPOSED RATES				
For Illustrative Purposes (\$000)				
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Operating Revenues at Proposed Rates	89,687.0	101,625.5	11,938.5	13.3%
Deductions:				
Operating Exps less uncollectibles	48,060.2	52,184.5	4,124.4	8.6%
Uncollectibles	458.9	4,235.3	3,776.4	822.9%
Domestic Production Activity Deduct	0.0	0.0	0.0	0.0%
Book Depreciation	11,949.5	12,301.6	352.0	2.9%
Interest Expense	6,513.4	7,383.1	869.7	13.4%
General Taxes	3,882.7	4,176.5	293.7	7.6%
Non-deductible Meals	(30.9)	(30.9)	(0.0)	0.0%
Total Deductions				
Federal	70,833.8	80,250.1	9,416.2	13.3%
State	70,833.8	80,250.1	9,416.2	13.3%
Taxable Income - State	18,853.2	21,375.5	2,522.3	13.4%
State Income Tax @ (see below)	1,666.6	1,889.6	223.0	13.4%
Less: Amort Deferred State ITC	0.0	0.0	0.0	0.0%
STATE INCOME TAXES	1,666.6	1,889.6	223.0	13.4%
Estimated State tax for 2024	1,630.3	1,793.4	163.0	10.0%
Taxable Income - Federal	17,222.9	19,582.1	2,359.2	13.7%
Federal Income Tax @ (See below)	3,616.8	4,112.2	495.4	13.7%
Less: Amort Deferred Federal ITC	(32.1)	(32.1)	0.0	0.0%
FEDERAL INCOME TAX	3,584.7	4,080.2	495.4	13.8%
<i>State Income Tax Rate</i>	<i>8.84%</i>	<i>8.84%</i>	0.0%	0.0%
<i>Federal Income Tax Rate</i>	<i>21.00%</i>	<i>21.00%</i>	0.0%	0.0%
Total Income Taxes for Revenues at Proposed Rates	5,251.4	5,969.8	718.4	13.7%

**CENTRAL DIVISION
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**TABLE 7-1
UTILITY PLANT IN SERVICE**

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Plant in Service - Beginning of Year	411,646.6	414,321.7	2,675.0	0.6%
Gross Additions during a year	18,092.9	25,652.4	7,559.5	41.8%
Retirement and Other Adjustments:				
Retirements	601.2	960.0	358.8	59.7%
Sales and Adjustments	0.0	0.0	0.0	0.0%
Capitalized Interest During Construction	0.0	0.0	0.0	0.0%
Net Additions	17,491.7	24,692.4	7,200.7	41.2%
Construction Work in Progress Beginning Balance	2,803.6	15,234.6	12,431.0	443.4%
Construction Work in Progress Ending Balance	1,381.8	15,828.2	14,446.4	1045.5%
Construction Work in Progress Net Additions	(1,421.8)	593.6	2,015.4	-141.8%
Plant in Service - End of Year	429,138.3	439,014.1	9,875.8	2.3%
<i>Plant Weighting Factor</i>	72.00%	69.48%	-2.5%	-3.5%
Weighted Average Plant in Service	426,020.5	447,125.0	21,104.4	5.0%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Plant in Service - Beginning of Year	429,138.3	439,014.1	9,875.8	2.3%
Gross Additions during a year	16,939.9	30,525.9	13,586.1	80.2%
Retirement and Other Adjustments:				
Retirements	491.7	915.9	424.2	86.3%
Sales and Adjustments	0.0	0.0	0.0	0.0%
Capitalized Interest During Construction	0.0	0.0	0.0	0.0%
Net Additions	16,448.2	29,610.1	13,161.9	80.0%
Construction Work in Progress Beginning Balance	1,381.8	15,828.2	14,446.4	1045.5%
Construction Work in Progress Ending Balance	973.7	12,133.2	11,159.5	1146.0%
Construction Work in Progress Net Additions	(408.1)	(3,695.0)	(3,286.9)	805.5%
Plant in Service - End of Year	445,586.5	468,624.1	23,037.6	5.2%
<i>Plant Weighting Factor</i>	72.00%	69.48%	-2.5%	-3.5%
Weighted Average Plant in Service	442,069.0	472,848.1	30,779.1	7.0%

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**TABLE 8-1
DEPRECIATION RESERVE & EXPENSE**

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Depreciation Reserve - Beginning of Year	133,157.9	132,536.6	(621.3)	-0.5%
Annual Accruals including Contribution Depreciation	11,128.6	11,030.0	(98.6)	-0.9%
Retirements/Debits to Depreciation	601.2	960.0	358.8	59.7%
(Salvage) Cost of Removal	(734.9)	(734.9)	0.0	0.0%
Depreciation Reserve Adjustment	0.0	0.0	0.0	0.0%
Net Acruel	9,792.5	9,335.2	(457.3)	-4.7%
Depreciation Reserve - End of Year	142,950.4	141,871.7	(1,078.7)	-0.8%
<i>Depreciation Reserve Weighting Factor (6-Year Average)</i>	48.66%	48.66%	0.0%	0.0%
Weighted Average Addition	4,765.1	4,542.5	-22254.6%	-4.7%
Weighted Average Depreciation Reserve	137,922.9	137,079.1	(843.9)	-0.6%
<i>Deprec. expense related to CIAC</i>	821.1	821.1	0.0	0.0%
<i>Allocated GO Depreciation Expense</i>	11,381.1	11,468.8	87.8	0.8%
<i>Deprec. expense for summary of earnings calc.</i>	21,688.6	21,677.8	(10.8)	0.0%
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Depreciation Reserve - Beginning of Year	142,950.4	141,871.7	(1,078.7)	-0.8%
Annual Accruals including Contribution Depreciation	11,649.2	11,767.8	118.6	1.0%
Retirements/Debits to Depreciation	491.7	915.9	424.2	86.3%
Salvage/Cost of Removal	(560.0)	(560.0)	0.0	0.0%
Depreciation Reserve Adjustment	0.0	0.0	0.0	0.0%
Net Acruel	10,597.5	10,292.0	(305.5)	-2.9%
Depreciation Reserve - End of Year	153,548.0	152,163.7	(1,384.2)	-0.9%
<i>Depreciation Reserve Weighting Factor (6-Year Average)</i>	48.66%	48.66%	0.0%	0.0%
Weighted Average Depreciation Reserve	148,107.2	146,879.8	(1,227.3)	-0.8%
<i>Deprec. expense related to CIAC</i>	831.0	831.0	0.0	0.0%
<i>Allocated GO Depreciation Expense</i>	11,949.5	12,301.6	352.0	2.9%
<i>Deprec. expense for summary of earnings calc.</i>	22,767.7	23,238.4	47068.5%	2.1%

**CENTRAL DIVISION
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**TABLE 9-1
WEIGHTED AVERAGE RATE BASE - TEST YEAR**

Test Year 2024 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Weighted Average Plant In Service including adv for construction	426,020.5	447,125.0	21,104.4	5.0%
<u>Additions to Rate Base:</u>				
Materials and Supplies	351.0	370.0	19.0	5.4%
Working Cash, Operational	10,245.6	10,673.1	427.5	4.2%
Working Cash, Lead Lag	6,389.8	8,974.8	2,585.1	40.5%
Total Additions to Rate Base	<u>16,986.3</u>	<u>20,017.9</u>	3,031.6	17.8%
<u>Deductions from Rate Base:</u>				
Weighted Average Depreciation Reserve	(137,922.9)	(137,079.1)	843.9	-0.6%
Advances for Construction	(741.6)	(741.6)	0.0	0.0%
Unamortized Advances (20-Year Amortization)	0.0	0.0	0.0	0.0%
Contribution In Aid of Contruction (Including Def Rev on CAC)	(18,472.6)	(18,472.6)	0.0	0.0%
Unamortized Contribution (20-Year Amortization)	0.0	0.0	0.0	0.0%
Accumulated Deferred Federal Income Taxes	(25,900.8)	(26,081.6)	(180.8)	0.7%
Accumulated Deferred State Income Taxes	(5,736.9)	(5,820.3)	(83.4)	1.5%
Total Deductions from Rate Base	<u>(188,774.9)</u>	<u>(188,195.2)</u>	579.7	-0.3%
Weighted Average Rate Base	<u>254,232.0</u>	<u>278,947.7</u>	<u>24,715.7</u>	9.7%
<u>Interest Calculation (for Tax Deductions):</u>				
Weighted Avg. Rate Base less customer deposits in Working Cash	254,232.0	278,947.7	24,715.7	9.7%
Weighted Cost of Debt	2.51%	2.51%	0.0%	0.0%
Interest Expense	<u>6,381.2</u>	<u>7,001.6</u>	620.4	9.7%
<u>Required return after tax (in \$)</u>				
Weighted Cost of Capital	7.61%	7.61%	0.0%	0.0%
Required Return	<u>19,347.1</u>	<u>21,227.9</u>	1,880.9	9.7%

TABLE 9-2				
WEIGHTED AVERAGE RATE BASE - ESCALATION YEAR				
Escalation Year 2025 (\$000)	Cal PA	Cal Am	Cal Am > Cal PA	
Weighted Average Plant In Service including adv for construction	442,069.0	472,848.1	30,779.1	7.0%
<u>Additions to Rate Base:</u>				
Materials and Supplies	361.6	381.2	19.6	5.4%
Working Cash, Operational	9,796.1	10,178.6	382.5	3.9%
Working Cash, Lead Lag	6,628.5	9,321.8	2,693.3	40.6%
Total Additions to Rate Base	<u>16,786.2</u>	<u>19,881.6</u>	3,095.4	18.4%
<u>Deductions from Rate Base:</u>				
Weighted Average Depreciation Reserve	(148,107.2)	(146,879.8)	1,227.3	-0.8%
Advances for Construction	(702.2)	(702.2)	0.0	0.0%
Unamortized Advances (20-Year Amortization)	0.0	0.0	0.0	0.0%
Contribution In Aid of Construction (Including Def Rev on CAC)	(18,090.4)	(18,090.4)	0.0	0.0%
Unamortized Contribution (20-Year Amortization)	0.0	0.0	0.0	0.0%
Accumulated Deferred Federal Income Taxes	(26,355.8)	(26,664.9)	(309.1)	1.2%
Accumulated Deferred State Income Taxes	(6,103.6)	(6,245.4)	(141.8)	2.3%
Total Deductions from Rate Base	<u>(199,359.1)</u>	<u>(198,582.7)</u>	776.4	-0.4%
Weighted Average Rate Base	<u>259,496.0</u>	<u>294,146.9</u>	<u>34,650.9</u>	13.4%
<u>Interest Calculation (for Tax Deductions):</u>				
<i>Weighted Avg. Rate Base less customer deposits in Working Cash</i>	259,496.0	294,146.9	34,650.9	13.4%
<i>Weighted Cost of Debt</i>	2.51%	2.51%	0.0%	0.0%
<i>Interest Expense</i>	<u>6,513.4</u>	<u>7,383.1</u>	869.7	13.4%
<u>Required return after tax (in \$)</u>				
<i>Weighted Cost of Capital</i>	7.61%	7.61%	0.0%	0.0%
<i>Required Return</i>	<u>19,747.6</u>	<u>22,384.6</u>	2,636.9	13.4%

Attachment 1

Qualifications of Witness

STATEMENT OF QUALIFICATIONS – PRASHANTA ADHIKARI

Q.1 Please state your name and address.

A.1 My name is Prashanta Adhikari, and my business address is 505 Van Ness Ave, San Francisco, CA 94102.

Q.2 By whom are you employed and what is your job title?

A.2 I am employed by the Public Advocates Office of the California Public Utilities Commission as a Public Utilities Regulatory Analyst.

Q.3 Please describe your educational and professional experience.

A.3 I graduated from University of California, Davis in June 2017 with a BA in economics and have worked for the Public Advocates Office since October 2019.

Q.4 What is your area of responsibility in this proceeding?

A.4 My areas of responsibility are income taxes, taxes other than income, rate base, and the results of operation model.

Q.5 Does that complete your prepared testimony?

A.5 Yes