

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

Application of Suburban Water Systems (U339W) for Authority to Increase Rates Charged for Water Service by \$19,971,673 or 19.41% in 2027, by \$10,876,890 or 8.91% in 2028, and by \$10,831,656 or 8.15% in 2029.

A.26-01-

**SUBURBAN WATER SYSTEMS (U339W)
APPLICATION**

**RESULTS OF OPERATIONS FOR
TEST YEARS ENDING
DECEMBER 31, 2027 and 2028,
AND ATTRITION YEAR 2029**

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January 2, 2026

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■ Chapter - Introduction

1.1 Purpose of Report

This report has been prepared to provide information required for the filing of an application before the California Public Utilities Commission (“Commission” or “CPUC”) by Suburban Water Systems ("Company" or "Suburban") for rate modifications and for a general increase in rates for water service. Results of operations under present and proposed rates as presented in this report are intended to provide the complete showing of the Company in support of its rate application.

1.2 Scope of Report

This report contains historical and descriptive data about the Company, and financial results of operations for 2020 through 2024 on a recorded basis, for an adjusted year 2026, and for years 2027 and 2028 on an estimated basis. The adjusted year 2026 data is intended to represent results of operations for a normal year with normalized consumption and expenses to provide a base for the evaluation of estimated expenses for future years. The form of presentation is designed to lend itself to ready analysis for rate making purposes. Years ending December 31, 2027 and December 31, 2028 are the required test years pursuant to the Commission’s Opinion Adopting Revised Rate Case Plan for Class A Water Utilities, D.07-05-062 (“Order Instituting Rulemaking to Consider Revisions to the General Rate Case Plan For Class A Water Companies”).

1.3 Overview of Report

By this application, Suburban Water Systems requests authorization to increase the level of rates for water service for test years 2027 and 2028. The requested increase in the level of rates is designed to produce an increase in annual revenues of approximately \$19,971,673 in 2027, \$10,876,890 in 2028, and an additional increase of \$10,831,656 in 2029 pursuant to the Order Instituting Rulemaking. These amounts represent rate increases of 19.41 percent, 8.91 percent, and 8.15 percent for test years 2027 and 2028 and attrition year 2029, respectively.

The increase requested in this application is intended to fully recover operating expenses as well as to provide for a fair return on rate base for the Company.

Company water system facilities were largely built in the two decades after the Second World War. During this period, southern California was transformed from a largely rural landscape to the modern urban and suburban region of today. Like all water systems that are 70 years old, the condition of Suburban’s distribution system is deteriorating with age and is need of a renewal program that prioritizes replacement of the worst performing assets to ensure it can provide customer switch safe, reliable, and affordable service. Capital expenditures planned through 2029 consist largely of replacements in kind to maintain the condition of the water system and new PFAS treatment plants. Projected capital additions and retirements are shown in Chapter 6 of this Report.

In summary, Suburban believes that the increase requested in this application is necessary and justified. The Company has provided reliable water service with adequate resources through

prudent investment and responsible operation and maintenance, and will be able to continue to do so with the rate levels proposed in this application.

1.4 Water Management Plan

In accordance with the California Water Code, Division 6, the Company timely filed its 2020 Urban Water Management Plan with the California Department of Water Resources by the required date, August 2, 2021. On June 16, 2022, the Department of Water Resources notified Suburban that the plan Suburban had submitted had been received. Additionally, in accordance with Commission Decision 94-02-043, dated February 16, 2001, it was ordered that:

"Water management programs established by utilities pursuant to D.90-08-55 shall be updated and evaluated as ordered in D.92-09-084, as follows:

Effective January 1, 2001, each Class A water company shall as part of its next general rate case (i) file an updated water management program, and (ii) evaluate the performance of its water management program."

It is the Company's intent that its 2020 Urban Water Management Plan filed in June 2021, which is submitted as part of this filing, will meet both requirements.

■ Chapter – Company History

2.1 Historical Background

Suburban, a California corporation, was originally formed on April 15, 1907 as the San Jose Hills Water Company and intended to function as a mutual water company providing water service for agricultural use. San Jose Hills Water Company was incorporated under the laws of the State of California on June 27, 1944 as a public utility. In 1953, San Jose Hills Water Company purchased Whittier Water Company. The name was officially changed to Suburban Water Systems on October 23, 1953. On May 28, 1975, the Commission authorized SouthWest Water Company (SouthWest) to acquire the issued and outstanding capital stock and resultant control of Suburban Water Systems. Suburban Water Systems continued to operate under the name Suburban Water Systems. On July 7, 1976, the Commission authorized SouthWest to transfer plant in service serving customers in Los Angeles, Orange and San Bernardino Counties to Suburban Water Systems, thus consolidating all California utility operations into one company. On September 23, 1976, the Board of Directors for Suburban Water Systems voted to change the name of the company to SouthWest Suburban Water. On July 22, 1982, SouthWest Suburban Water’s Board of Directors voted to change its name back to Suburban Water Systems.¹

In 1998, Suburban Water Systems purchased the assets of Maple Water Company, a small mutual water company located in Valinda. In 2000, Suburban Water Systems purchased the assets of the 7,000 customer municipal water system owned by the City of West Covina. In 2021, Suburban Water Systems purchased the assets of the 1,600 customer Sativa District owned by the County of Los Angeles.

In 2022, Corix Infrastructure Inc. and Corix Infrastructure (US), Inc. entered into a transaction agreement with IIF Subway Investment LP, SWMAC, and SouthWest Water Company. The transaction agreement provided a framework for combining merging the business. The merger was approved by the CPUC in Decision 24-02-014 and was officially consummated on April 1, 2024, forming a new indirect parent company for the Company known as Nexus Water Group, Inc. The merger did not change Suburban’s corporate status or tariffs.

In 2023, Suburban purchased the assets of Lowell Tract Water Company (“Lowell”), a mutual water company. Lowell was formed by court judgement in 1971, its shareholders were owners of 20 parcels included in the judgement, and it was located entirely within Suburban’s service existing Whittier/La Mirada service area. In the late 1970s, Lowell’s well failed leading them to request a 4-inch meter from Suburban to provide potable supply. Suburban installed the meter and the mutual had been paying Suburban a monthly bill since that time. After the purchase of Lowell’s assets, Suburban discontinued service through the 4-inch meter and installed meters at each parcel.

In its history, Suburban Water Systems, under this name and others, has served many cities in the Southern California area. Today, it serves approximately 78,000 customers in its San Jose Hills

¹ Suburban informed the Commission of these name changes via Advice Letters 111 and 156, respectively.

and Whittier/La Mirada Service Areas, which comprise 43 square miles. Communities served are Glendora, Covina, West Covina, La Puente, Hacienda Heights, Walnut, Whittier, La Mirada, La Habra, Compton/Willowbrook, and Buena Park, as well as unincorporated Los Angeles and Orange County areas. With the exception of the acquisitions of the small Maple Water Company in 1998, the West Covina water system in 2000, the Sativa District in 2021, since the late 1960's Suburban Water Systems has grown little beyond its saturated areas of certification. Additional growth has come through extensions into new subdivisions along the periphery of the Company's widespread service area, or through redevelopment in existing service areas from single to multi-user services. Future expansion of the service areas on a large scale is improbable.

2.2 Proceedings before the Commission

Set forth below are the formal proceedings of Suburban Water Systems decided by the Commission since 2023. Proceedings prior to that time were listed in Application No. 23-01-001 filed January 3, 2023. This was the last general rate increase application for Suburban Water Systems.

<u>App. Or Case No.</u>	<u>Decision No.</u>	<u>Date of Decision</u>	<u>Nature of Proceedings and Commission Action</u>
A.23-01-001	24-12-030	12/19/24	Decision Resolving Suburban Water Systems' General Rate Case Increases for 2024-2026
A.23-05-003	24-12-007	12/05/24	Decision Adopting Base Year 2024 Cost of Capital for San Gabriel Valley Water Company, Great Oaks Water Company, Suburban Water Services and Liberty Utilities
A.23-01-001	25-07-012	07/24/25	Decision Denying Petition for Modification of Suburban Water Company

<u>Advice Letter No.</u>	<u>Effective Date</u>	<u>Nature of Proceedings and Commission Action</u>
378	01/01/23	Proforma 2022
379	12/01/22	Water Lease Agreement
380	12/16/22	Water Lease Agreement
381	12/16/22	Water Lease Agreement
382	01/01/23	CPUC Fee 0.8 Percent
383	12/22/22	Sativa Rate & Update Forms
384	12/22/22	Sativa LIRA
385	01/01/23	Proforma 2022
386	12/22/22	Sativa Environmental & Compliance Memo Account
387	12/22/22	Sativa Production Cost Balancing Account
388	01/01/23	Sativa LIRA Update
389	01/12/23	Update Drinking Water Fees Memorandum Account
390	05/01/23	Deactivation Stage 2
391	06/01/23	LIRA Income Guidelines Update

392	06/06/23	Water Lease Agreement
393	06/30/23	Water Lease Agreement
394	07/13/23	Lead and Copper Rule Revisions Memorandum Account
395	12/10/21	Drinking Water Fees Balancing Account
396	01/01/24	2024 Interim Rates
397	11/17/23	Water Lease Agreement
398	01/01/24	Update UF Surcharge
399	12/22/22	Update Sativa Production Cost Balancing Account
400	03/13/24	Water Lease Agreement
401	04/30/24	Water Lease Agreement
402	06/01/24	LIRA Income Guidelines Update (2024-2025)
403	05/07/24	Water Lease Agreement
404	01/01/25	UF Surcharge
406	09/26/25	2024 Proforma
408	03/01/25	COVID-19 Amortization
409	03/01/25	Compliance Filing per D.24-12-030
410	04/08/25	Water Lease Agreement
411	04/15/25	Update Preliminary Statement
413	06/01/25	CAP Income Guidelines Update
414	08/01/25	Reserve Accounts Amortization
415	Pending	WRAM Compliance Filing
416	Pending	2026 Step Increase
417	Pending	Rate Base Offset
418	Pending	Reserve Accounts Amortization
419	12/19/25	Forms and Rules Update
420	01/01/26	UF Surcharge

■ Company Operations

3.1 Main and Service Area Offices

The company has two service areas, Whittier/La Mirada and San Jose Hills. The Whittier/La Mirada Service Area office is located at 15088 Rosecrans Avenue, La Mirada. The San Jose Hills Service Area has an office located at 1325 N. Grand Avenue, Suite 100, Covina. Suburban also has a customer service office located at 2015 E. Hatchway Street, Compton, CA to serve customers of the Sativa service area (part of the Whittier / La Mirada service area) For ratemaking purposes, both service areas combined are recognized as a single district.

The Whittier/La Mirada Service Area and San Jose Hills Service Area have the same service charge but differing quantity charges based on their unique sources and costs of water supply.

3.2 Positions Requested and Payroll

The Company requires approximately 137 employees to effectively manage and operate the system. The following table shows current staffing needs in the San Jose Hills and Whittier/La Mirada Service Areas:

SUBURBAN WATER SYSTEMS Analysis Of Staffing Position Changes Since The Company's Last GRC

	<u>SJH</u>	<u>WLM</u>	<u>Main</u>	<u>Total</u>
Test Year 2024 Total Positions Approved	48	34	55	137
<u>Transferred Positions Between Offices</u>				
All SJH Employees moved to Main Office	55	-	(55)	-
Customer Service Representative	(3)	3		-
Manager, Mechanical Maintenance	(1)	1		-
Operations & Maintenance Technician	(2)	2		-
Safety and Security Manager	(1)	1		-
Utility Operator	1	(1)		-
	49	6	(55)	-
<u>Positions Repurposed</u>				
Customer Service Representative II	1	2		3
General Counsel	(1)			(1)
Executive Secretary	(1)			(1)
Communications Specialist	(1)			(1)
	(2)	2	-	-
Water Quality Technician	3			3
Manager, IT	(1)			(1)
Manager, Human Resources	(1)			(1)
Human Resources Assistant	(1)			(1)
	-	-	-	-
Associate Engineer	2			2
VP, Regulatory Affairs	(1)			(1)
Senior Accountant	(1)			(1)
	-	-	-	-
Total 2027 Requested Positions	97	40	-	137

Positions Repurposed

Since the 2023 GRC, Suburban has repurposed eight roles to better align with the ever-changing demands of the business. The repurposing was customer focused and ensures Suburban's ability to continue providing clean, safe water and excellent customer service at a price that is affordable for customers.

Without the repurposing of existing roles, Suburban would need additional employees to meet health and safety standards and provide customer service at levels prescribed by the CPUC, which translates to higher bills for customers.

Customer Service Representatives

In 2022 and 2023, Suburban did not have enough Customer Service Representatives ("CSRs") to consistently meet the performance measures required by GO 103A, specifically the "% Calls Answered in 30 Seconds" and the "Abandonment Rate". To address this issue, Suburban repurposed the General Counsel role, an Executive Secretary role, and the Communication Specialist role. The roles were open due to employee attrition. Instead of refilling them in kind, the Company backfilled them with CSRs. By adding three additional CSRs, Suburban met all Customer Service Performance Measures required by GO103A as of 2024.

Water Quality Technicians

In July 2023, Suburban received four citations from the California State Water Resources Control Board – Division of Drinking Water ("DDW") for failure to test all backflows annually. The primary reason Suburban was unable to test all of the backflows annually was a lack of available Water Quality Department staff. Currently, Suburban's Water Quality Department manages the Cross Connection Control Program. While the team works tirelessly to manage the already burdensome program with existing personnel, it will eventually become unsurmountable without additional Water Quality Technicians.

To ensure Suburban is able to meet the health and safety standards set by the State Water Resource Control Board's Cross Connection Control Policy Handbook (CCCPH), it is necessary to employ three additional Water Quality Technicians. This will ensure the safety Suburban's water system and customers. To achieve this goal without impacting affordability, the Human Resources Manager role, the Human Resources Assistant role, and the IT Manager role were repurposed to Water Quality Technicians. The roles were open due to employee attrition and synergies achieved with the merger. A discussion of the Cross Connection Control Program and personnel needs are detailed in the direct testimony of Micheal De Ghetto.

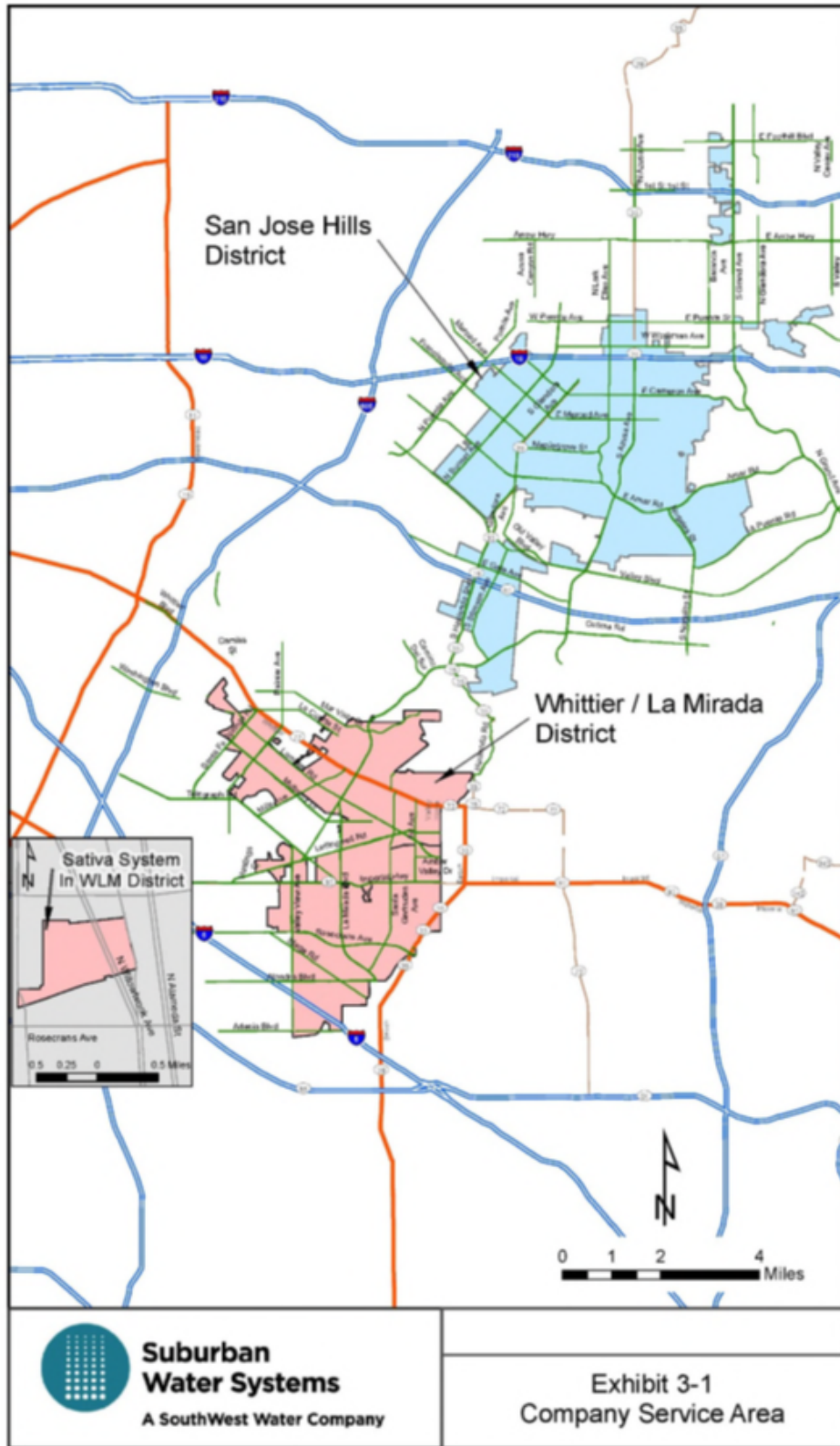
Associate Engineers

The intermediate level engineering positions are needed to perform capital-related duties related to planning, engineering, coordination, design, management, and reporting on various water infrastructure projects. These projects include such elements as water pumps, wooden and block buildings, electric motors, natural gas engines, wells, pipelines, reservoirs, control valves, instrumentation and telemetry, electrical, etc. Although not a supervisory position, the Associate Engineer will at times be required to direct and coordinate the efforts of other employees.

Suburban's Engineering Department currently has insufficient staffing for project execution and relies on more expensive, third-party consultants for design and construction management. By investing in internal engineering capacity, Suburban will reduce reliance on costly external consultants, thereby lowering project costs passed on to customers. The two Associate Engineers were added by repurposing the existing VP of Regulatory Strategy role and one Senior Accountant role. Both roles were open due to employee attrition and synergies achieved with the merger. The positions have not been filled as of the filing of this application so the costs, while 100% allocable to capital projects, are not considered in the General and Administrative (G&A) overhead rate of 10.01%. Thus, once Suburban has filled these positions, the G&A overhead rate will be updated accordingly. The need for Associate Engineers is discussed in greater detail in the direct testimony of Jorge Lopez.

3.3 Water Service Area Operations

Suburban Water Systems is divided into two operating service areas, the San Jose Hills service area and the Whittier La Mirada service area as shown in Figure 3-1 below. The San Jose Hills service area, shown in blue in Figure 3-1, encompasses three separate public water systems, the San Jose Hills System, the Covina Knolls System, and the Glendora System. The Whittier La Mirada service area, shown in Orange in Figure 3-1, encompasses three separate public water systems, the Whittier System, the La Mirada System, and the Sativa System.



 **Suburban Water Systems**
A SouthWest Water Company

Exhibit 3-1
Company Service Area

Administration

In addition to housing the San Jose Hills Customer Service and Payment Center, the San Jose Hills Service Area office accommodates general office functions including Accounting, Finance and Regulatory Affairs, Information Technology, Engineering, Human Resources, Production, and Administration. These services are essential to the operations of the Company.

Suburban has other customer service offices located in La Mirada and Compton that accommodate our Customer Care team and some operations personnel for Whittier/La Mirada service area.

Public Relations

There were ten informal complaints filed with the Public Utilities Commission 2024.

3.4 San Jose Hills Service Area Operations

Water Supply

Company wells and water purchased from supplemental sources combine to supply water to the customers in the San Jose Hills service area. The water delivered meets or exceeds all state and federal drinking water quality standards.

During the period since the last general rate case filing, Suburban was cited by DDW for collecting a Total Coliform Monitoring Rule sample in the incorrect location, described in more detail in MDR Section G (Water Quality).

Suburban received a warning letter from DDW for failure to collect a Disinfectant By-Product Rule Sample from the correct sample location in the San Jose Hills service area, further detailed in MDR Section G. Suburban was cited by DDW for failure to test all backflows annually, described in more detail in MDR Section G.

The San Jose Hills service area currently supplies water in 27 pressure zones that range in elevation from 320 to 1,110 feet above sea level. System pressures are designed to range from 40 PSI to 125 PSI. Where pressure at the service connection exceeds 80 PSI, new customers are informed so that they can install pressure reducers to be in compliance with local plumbing codes.

The San Jose Hills service area has 4 active wells and 6 outside sources of supply, 21 pump stations, and 20 tanks and reservoirs. Exhibit 3-2 shows schematically the sources of supply to the San Jose Hills service area. Well data for each well is shown in Table 3-1.

The San Jose Hills service area produces the majority of its water supply from wells that extract groundwater from the Main San Gabriel Basin using Company-owned ground water rights and leases. This basin had historically been in overdraft for many years that resulted in an adjudication that established a court-appointed Watermaster.

The Watermaster manages local groundwater supplies including spreading of imported water in the basin to assure adequate supplies for all producers, including Suburban. Production from

wells is subject to assessments levied by the Watermaster, which cover expenses incurred by the program to administer and replenish the water supply in the basin.

Demand not met by Company-owned wells is provided by water wholesalers that provide both treated local and imported water.

Contamination had reduced the capacity of Suburban’s groundwater production in the San Jose Hills service area. Between 1998 and 2002, water contamination in company wells reduced pumping capacity by about 85%. The primary source of contamination is the EPA Superfund site designated as the Baldwin Park Operable Unit (BPOU). The entities identified as the potentially responsible parties (now called “Cooperating Respondents” or “CRs”) have been making monthly payments to Suburban representing the amount by which purchased replacement water costs exceed the Suburban’s avoided costs had Suburban been able to produce this water from its own wells. In this filing we show those payments as continuing throughout the test years, albeit at dramatic reductions from past levels, because the CRs have funded development of replacement water sources.

In 2017, the company destroyed well 147 W-3 due to groundwater contamination. The well was located within the Puente Valley Operable Unit (PVOU) contamination plume, also an EPA Superfund site. Production samples showed elevated contamination from the well, and the company was forced to discontinue production by DDW. Suburban negotiated settlements with a responsible party providing gross damage award proceeds for destruction of the well, reimbursement for replacement water purchases, and an additional damage award amount and funding for associated taxes.

In addition, an agreement was reached for the Company to receive water produced in the future from a treatment facility to be funded by the responsible party. Exhibit 3-2 provides a visual summary of the typical water supply mix in the San Jose Hills service area by source.

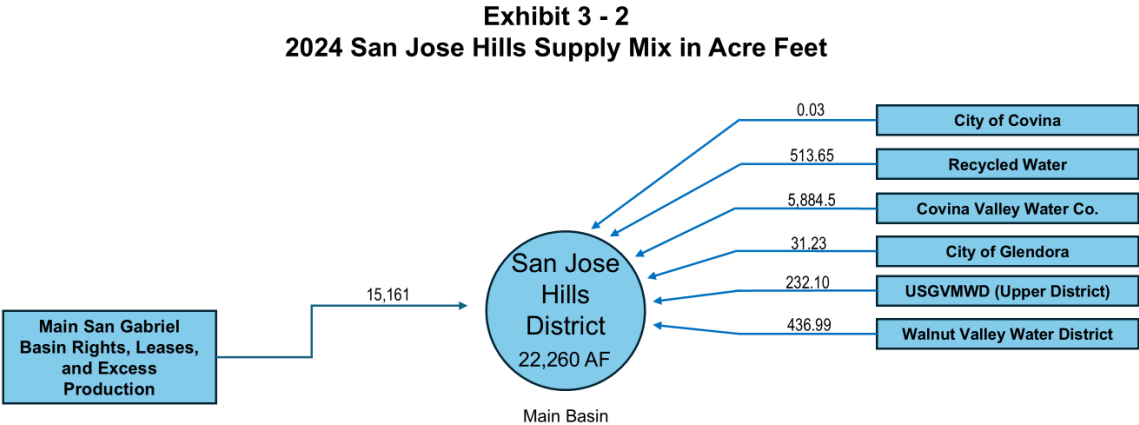


Table 3-1 below list the general capacity and physical characteristics of Suburban’s wells in the San Jose Hills Service area.

Table 3-1						
SUBURBAN WATER SYSTEMS SAN JOSE HILLS SERVICE AREA WELL DATA						
WELL NO.	DIAMETER IN INCHES	DEPTH FT.	WATER DEPTH FT.		MOTOR HP.	CAPACITY G.P.M.
125W-2*	18	1190	189	SWL	150	0
126W-2*	18	660	229	SWL	200	0
139W-2*	18	408	187	SWL	200	0
139W-4*	20	846	189	SWL	365	0
139W-5*	18	1220	188	SWL	250	0
139W-6*	18	1220	153	SWL	350	0
140W-3*	18	562	153	SWL	75	0
140W-4*	18	1210	150	SWL	250	0
121W-1	16	1150	149	SWL	200	2,303
140W-5	18	1340	136	PWL	300	2,000
142W-2	16	1390	184	PWL	400	3,000
151W-2	16	1400	247	PWL	500	3,200
* Temporarily out of service.						

Water Storage

As shown in Table 3-2, the service area had one concrete reservoir that was taken out of service, and 19 steel tanks. The total storage capacity in the San Jose Hills service area is now 43,380,000 gallons.

Table 3-2.					
SUBURBAN WATER SYSTEMS SAN JOSE HILLS SERVICE AREA TANK & RESERVOIR DATA					
RESERVOIR NO.	TYPE OF CONSTRUCTION	PRESSURE ZONE SERVED	ELEVATION (FT.)		CAPACITY GALLONS
			FOOR	OVERFLOW	
109R-2	Welded Steel	660	663	686	300,000
109R-3	Welded Steel	660	663	686	2,500,000
110R-1	Welded Steel	850	703	728	2,500,000
115R-2	Welded Steel	830	830	858	500,000
119R-1	Welded Steel	830	642	657	1,100,000
121R-1	Welded Steel	547	382.5	399.5	2,000,000
121R-2	Welded Steel	547	382.5	399.5	600,000
128R-1	Welded Steel	520	332	348	500,000
129R-1	Welded Steel	547	525	554	3,500,000
129R-2	Welded Steel	547	525	554	5,000,000
132R-1	Welded Steel	520	492	524	500,000
132R-2	Welded Steel	520	492	524	3,500,000
141R-1	Out of Service	547	417	428.5	0
162R-1	Welded Steel	740	710	745	3,000,000
165R-1	Welded Steel	1140	1109	1140	1,000,000
167R-1	Welded Steel	1305	1275	1306	1,500,000
503R-1	Welded Steel	730	704	735	7,000,000
505R-1	Welded Steel	900	870	900	7,000,000
507R-1	Bolted Steel	1080	1057	1080	640,000
507R-2	Bolted Steel	1080	1057	1080	740,000
Total Storage in San Jose Hills Distrct					43,380,000

After completion of the Plant 128 project, Suburban took Plant 141 out of service per DDW direction as noted in the response to the San Jose Hills Sanitary Survey included in MDR Section G. This has reduced the storage capacity in the San Jose Hills system by 1,500,000 gallons. This reduced Suburban's ability to maintain water supply in the San Jose Hills System from existing levels necessitates the construction of a replacement reservoir. DDW issued an amendment to the San Jose Hills System Permit to Operate to include the new Plant 128 Tank in the system and is attached in MDR Section G.

Water Treatment

Water produced at Suburban's well sites is chlorinated with sodium hypochlorite or chloraminated with the addition of sodium hypochlorite and ammonia to achieve a disinfectant residual in the distribution system. The chlorine residual in tanks and reservoirs can be increased with calcium hypochlorite if required by system conditions. Water produced from wells 140W-5 151 W-2, and 121W-1 have perchlorate and trichloroethylene exceeding their respective maximum contaminant levels (MCL) and must be blended with treated groundwater from Valley

County Water District Lante Plant (SA-1) at the two Plant 121 storage tanks to produce effluent water that complies with the state's MCLs.

Water leaving the Plant 121 facility is also treated with Ortho polyphosphate as a sequestering agent to minimize pipe and service line corrosion that may occur due to the introduction of the highly treated water from the SA-1 facility.

Two automatic chloramine treatment systems (called RCS for residual control system) are in use in the San Jose Hills System. These units monitor chloramine residuals in the tanks at Plant 505 in the San Jose Hills System, and Plant 110 in the Glendora System. The units add sodium hypochlorite and/or ammonia to the tanks through a mixing unit to maintain the desired chloramine residual and prevent nitrification in these tanks.

3.5 Whittier/La Mirada Service Area Operations

Water Supply

Company wells and water purchased from supplemental sources combine to supply water to the customers in the Whittier/La Mirada service area. Water delivered meets or exceeds all state and federal drinking water quality standards. During the period since the last general rate case filing, Suburban was cited by DDW for failure to test all backflows annually, described in more detail in MDR Section G.

The Whittier/La Mirada service area currently supplies water in 16 pressure zones that range in elevation from 55 to 840 feet above sea level. System pressures are designed to range from 40 PSI to 125 PSI. Where pressure at the service connection exceeds 80 PSI, new customers are informed so that they can install pressure reducers to be in compliance with local plumbing codes.

The Whittier/La Mirada service area has 9 active wells and 7 outside sources of supply, 11 pump stations, and 14 tanks and reservoirs. Well data for each well is shown in Table 3-3.

The service area produces a majority of its water supply from Company-owned wells that extract ground water from two adjudicated water basins, the Main San Gabriel Basin and the Central Basin.

Both basins had historically been in overdraft for many years, resulting in adjudications. Currently court-appointed Watermasters manage local supplies and spreading of imported water in the basins to assure adequate water supply for all producers, including Suburban. Production from Suburban's wells is subject to assessments levied by the respective Watermasters, to cover expenses incurred by the to administer and replenish the water supply in the basins.

Demand not met by Company-owned wells is provided by water wholesalers who provide both treated local and imported water. Exhibit 3-3 provides a visual summary of the typical water supply mix in the Whittier/La Mirada service area by source.

**Exhibit 3 - 3
2024 Whittier / La Mirada Supply Mix in Acre Feet**

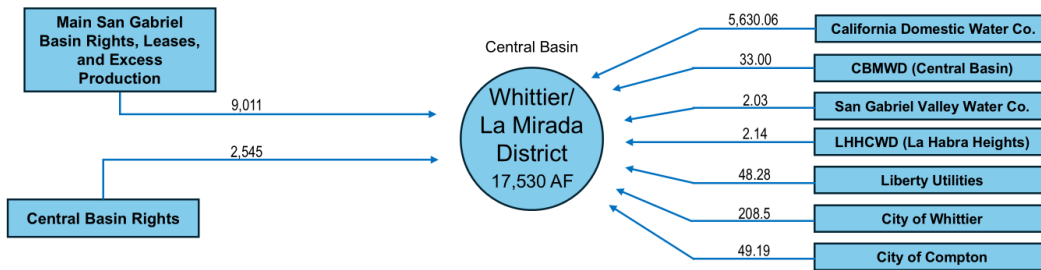


Table 3-3 below lists the general capacity and physical characteristics of Suburban’s wells in the Whittier La Mirada service area.

Table 3-3						
SUBURBAN WATER SYSTEMS WHITTIER/LA MIRADA SERVICE AREA WELL DATA						
WELL NO.	DIAMETER IN INCHES	DEPTH FT.	WATER DEPTH FT.		MOTOR HP.	CAPACITY G.P.M.
201W-4*	16	622	48	SWL	150	0
201W-7	18	670	119	SWL	400	3320
201W-8	18	625	170	SWL	400	3,677
201W-9	18	670	66	SWL	450	3,700
201W-10	18	650	53	SWL	450	4,000
409W-3	16	1440	245	SWL	400	730
410W-1	14	1312	161	SWL	125	665
801W-2	Out of Service to be destroyed, per DDW					
803W-5	12	510	98	SWL	100	650
804W-3	14	316	98	SWL	50	424
*Temporarily out of service.						

Storage

As shown in Table 3-4, the Service Area has two concrete reservoirs and 12 steel tanks resulting in a total capacity of 31,660,000 gallons.

Table 3-4					
SUBURBAN WATER SYSTEMS WHITTIER/LA MIRADA SERVICE AREA TANK & RESERVOIR DATA					
RESERVOIR NO.	TYPE OF CONSTRUCTION	PRESSURE ZONE SERVED	ELEVATION (FT.)		CAPACITY GALLONS
			FOOR	OVERFLOW	
217R-1	Steel	520	491	523	1,500,000
221R-1	Steel	620	590	622	500,000
224R-1	Concrete	400 & 520	257	281	2,370,000
224R-2	Concrete	400 & 520	257	281	4,690,000
235R-1	Steel	520	490	520	1,650,000
236R-1	Steel	600	603.0	635.0	2,000,000
238R-1	Steel	800	810.0	840.0	3,000,000
408R-2	Steel	450	347	377	2,800,000
408R-3	Steel	450	347	377	3,000,000
408R-4	Steel	335	310	340	2,370,000
408R-5	Steel	335	310	340	1,910,000
408R-6	Steel	335	310	340	2,370,000
409R-1	Steel	285	82	114.0	1,500,000
428R-1	Steel	450	420	452	2,000,000
Total Storage in Whittier/La Mirada Distrcit					31,660,000

Water Treatment

Water produced at Suburban’s well sites is chlorinated with sodium hypochlorite to achieve a disinfectant residual in the distribution system.

At Plant 409, treated water is chloraminated with the addition sodium hypochlorite and ammonia to prevent exceeding the total trihalomethane maximum contaminant level (MCL) in the distribution system. Orthopolyphosphate is added to water produced at well 410W-1 to sequester manganese that at times exceeds the secondary MCL.

The treatment plant at Plant 409 was modified since the last rate case filing. The plant still uses an oxidation/coagulation and pressure filtration system to remove organic color from Well 409 W-3. Additional treatment equipment was installed to also remove arsenic. Arsenic removal also required modification of the backwash system to discharge filter backwash water directly to the local sewer system instead of recycling to front of the treatment process. The complete disposal of backwash has reduced the production from this facility. DDW issued Suburban an amendment to the Permit to Operate the La Mirada System that approved the modification of the Plant 409 Treatment Plant and is included in MDR Section G.

■ Chapter – Water Sales and Operating Revenues

Report on Demand Forecasts for Residential and Business Customers

See the Direct Testimony of Thomas Chesnutt.

Report on Demand Forecasts for Industrial, Public Authority, and Construction Water Customers

San Jose Hills Service Area industrial water usage is shown on Table 4-1; the last recorded water sales per customer are equal to 16,913 Ccf in 2024. The 2025 adjusted year sales is 16,267 Ccf, which is the average of the last five recorded years. No change in sales per customer through December 31, 2029, is anticipated.

Water usage in San Jose Hills Service Area from sales to public authorities is shown on Table 4-1, with the last recorded water sales per customer equal to 2,296 Ccf in 2024. The 2025 adjusted year sales is 2,217 Ccf, which is the average of the last five recorded years. No change in sales per customer through December 31, 2029, is anticipated.

Water usage in San Jose Hills Service Area from construction sales is shown on Table 4-1, with the last recorded water sales per customer equal to 335 Ccf in 2024. The 2025 adjusted year sales is 319 Ccf, which is the average of the last five recorded years. No change in sales per customer through December 31, 2029, is anticipated.

Whittier/La Mirada Service Area industrial sales is shown on Table 4-1, with the last recorded water sales per customer equal to 7,186 Ccf in 2024. The 2025 adjusted year sales is 7,186 Ccf, which is the same as 2024. Consumption for this customer class has been declining since 2022. Consumption in 2024 represents approximately 34% lower compared to 2021. No change in sales per customer through December 31, 2029, is anticipated.

Whittier/La Mirada Service Area sales to public authorities are shown on Table 4-1, with the last recorded water sales per customer equal to 2,660 Ccf in 2024. The 2025 adjusted year sales is 2,871 Ccf, which is the average of the last five recorded years. No change in sales per customer through December 31, 2029, is anticipated.

Whittier/La Mirada Service Area sales to other utilities for resale is shown on Table 4-1, with the last recorded water sales per customer equal to 259 Ccf in 2024. The 2025 adjusted year sales is 441 Ccf, which is the average of the last five recorded years. No change in sales per customer through December 31, 2029 is anticipated.

Whittier/La Mirada Service Area construction water sales are shown on Table 4-1, with the last recorded water sales per customer equal to 461 Ccf in 2024. The 2025 adjusted year sales is 673 Ccf, which is the average of the last five recorded years. No change in sales per customer through December 31, 2029, is anticipated.

4.1 Projected Water Sales and Metered Customers

Projected metered customer growth for all areas was estimated consistent with the requirements of the Revised Rate Case Plan for Class A Water Utilities. The five-year average change in customers by customer class was added to the test year customers. The second escalation year customers were estimated by adding the five-year average change in customers by customer class to the first escalation year customers.

Water sales by customer class for each year through estimated year December 31, 2025, are shown in Table 4-6A and 4-6B for San Jose Hills and Whittier/La Mirada service areas, respectively. Residential, business, and public authorities sales shown in this table were computed using the average number of customers from Tables 4-2 and 4-3 and the average water usage per customer from Table 4-1.

Unmetered Customers

Additions of new unmetered customers (private fire protection service and fire hydrant service on private property) are based on the five-year historical average.

Recycled Water

On November 3, 2010, Suburban entered into an agreement with the Upper San Gabriel Valley Municipal Water District (“Upper District”) to purchase recycled water. Recycled water represents a resource that benefits all San Jose Hills Service Area customers by lessening Suburban’s dependence on potable water supplies. Recycled water is made available to current high-use non-residential water customers, such as golf courses. Suburban proposes to price recycled water in the same manner as potable water. The only difference is the quantity rate for recycled water, which is discounted 15% from potable quantity rates. Other than the obvious water quality differences, Suburban is committed to providing the same high level of service to all San Jose Hills Service Area customers.

Recycled water sales are shown on Table 4-1, with the last recorded water sales per customer of 5,590 Ccf in 2024. The 2025 adjusted year sales is 6,327 Ccf, which is the average of the last five recorded years. No change in sales per customer through December 31, 2029, is anticipated.

Non-Tariffed Services

In 2001, the Company implemented a new non-tariffed service pursuant to the Commission’s Privatization and Excess Capacity Decision 00-07-018. Decision 00-07-018 was subsequently revised by Decision 03-04-028, which has since been revised by Decision 04-12-023, and more recently by the affiliate transactions rulemaking R.09-04-012 in Decision 10-10-019. This program offers customers houseline maintenance services. Minimal utility resources are involved in the program. Revenue sharing is accounted for in accordance with D.10-10-019.

See Workpapers Volume 1, Table 4-7, Line 18, and Workpapers Volume 2 pages 1 - 25, for revenue sharing through December 31, 2025.

4.2 Revenues at Present Rates

Revenues through estimated year December 31, 2028, at present water rates, were calculated as shown in Table 4-7 based on the customer and water sales data shown in Tables 4-1 through 4-6B and worksheet 4-7K for recycled water sales in San Jose Hills Service Area. The amortization of deferred revenues associated with taxable contributions in aid of construction (CIAC) is computed in Chapter 8, Table 8-8.

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
WATER SALES PER CUSTOMER, Ccf

TABLE 4-1

Line Number	Description (California Public Utilities Commission Acct. Number)	Recorded Year					Estimated Year		Test Year		Attrition Year
		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<u>RESIDENTIAL SALES (601.11.)</u>											
1.	Recorded Sales, San Jose Hills Service Area	183.0	179.2	161.9	142.5	152.4					
2.	Estimated Sales, San Jose Hills Service Area						150.3	146.4	140.8	137.8	133.9
3.	Recorded Sales, Whittier/La Mirada Service Area	176.7	177.5	164.8	141.7	150.3					
4.	Estimated Sales Based on Normal Weather, Whittier/La Mirada Service Area						152.3	149.4	144.8	142.8	139.9
<u>BUSINESS SALES (601.12.)</u>											
5.	Recorded Sales, San Jose Hills Service Area	948.6	989.2	989.0	856.6	879.0					
6.	Estimated Sales, San Jose Hills Service Area						900.0	884.0	858.0	850.0	835.0
7.	Recorded Sales, Whittier/La Mirada Service Area	929.2	974.9	956.3	864.0	908.3					
8.	Estimated Sales Based on Normal Weather, Whittier/La Mirada Service Area						899.0	884.0	858.0	849.0	834.0
<u>INDUSTRIAL SALES (601.2.)</u>											
9.	Recorded Sales, San Jose Hills Service Area	17,766	17,879	15,222	13,555	16,913					
10.	Estimated Sales, San Jose Hills Service Area						16,267	16,267	16,267	16,267	16,267
11.	Recorded Sales, Whittier/La Mirada Service Area	10,131	10,808	9,659	8,274	7,186					
12.	Estimated Sales, Whittier/La Mirada Service Area						7,186	7,186	7,186	7,186	7,186
<u>SALES TO PUBLIC AUTHORITIES (601.3.)</u>											
13.	Recorded Sales, San Jose Hills Service Area	2,175	2,439	2,308	1,868	2,296					
14.	Estimated Sales, San Jose Hills Service Area						2,217	2,217	2,217.0	2,217	2,217
15.	Recorded Sales, Whittier/La Mirada Service Area	3,044	3,350	2,760	2,540	2,660					
16.	Estimated Sales, Whittier/La Mirada Service Area						2,871	2,871	2,871	2,871	2,871
<u>SALES TO OTHER WATER UTILITIES FOR RESALE (606.)</u>											
17.	Recorded Sales, San Jose Hills Service Area	0	0	0	0	0					
18.	Estimated Sales, San Jose Hills Service Area						0	0	0	0	0
19.	Recorded Sales, Whittier/La Mirada Service Area	506	603	471	365	259					
20.	Estimated Sales, Whittier/La Mirada Service Area						441	441	441	441	441
<u>CONSTRUCTION WATER SERVICE (609.)</u>											
21.	Recorded Sales, San Jose Hills Service Area	360	419	384	95	335					
22.	Estimated Sales, San Jose Hills Service Area						319	319	319	319	319
23.	Recorded Sales, Whittier/La Mirada Service Area	1,028	883	674	321	461					
24.	Estimated Sales, Whittier/La Mirada Service Area						673	673	673	673	673
<u>RECYCLED WATER SALES</u>											
25.	Recorded Sales, San Jose Hills Service Area	7,042	7,478	6,519	5,004	5,590					
26.	Estimated Sales, San Jose Hills Service Area						6,327	6,327	6,327	6,327	6,327
27.	Recorded Sales, Whittier/La Mirada Service Area	0	0	0	0	0					
28.	Estimated Sales, Whittier/La Mirada Service Area						0	0	0	0	0

SUBURBAN WATER SYSTEMS
SAN JOSE HILLS SERVICE AREA
METERED WATER SERVICE CUSTOMERS BY METER SIZE, AVERAGE FOR YEAR

TABLE 4-2

Line Number	Customer Class (PUC Account #)	Meter Size, Inches	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
AVERAGE METERED WATER SERVICE CUSTOMERS											
1.	RESIDENTIAL (601.11.)	5/8 x 3/4	2,031	2,042	2,025	2,005	2,002	1,995	1,988	1,981	1,974
2.		3/4	30,444	30,437	30,422	30,436	30,457	30,460	30,463	30,466	30,469
3.		1	6,525	6,566	6,595	6,712	6,848	6,929	7,010	7,091	7,172
4.		1-1/2	389	376	389	402	401	404	407	410	413
5.		2	104	103	103	102	102	102	102	102	102
6.		3	10	9	9	10	10	10	10	10	10
7.	SUBTOTAL RESIDENTIAL CUSTOMERS		39,503	39,533	39,543	39,667	39,820	39,900	39,980	40,060	40,140
8.	BUSINESS (601.12.)	5/8 x 3/4	66	57	40	21	19	7	0	0	0
9.		3/4	405	401	401	399	400	399	398	397	396
10.		1	666	666	667	674	679	682	685	688	691
11.		1-1/2	435	437	448	459	457	463	469	475	481
12.		2	644	647	651	656	653	655	657	659	661
13.		3	78	78	78	78	78	78	78	78	78
14.		4	28	28	28	28	28	28	28	28	28
15.		6	4	3	3	3	3	3	3	3	3
16.		8	4	4	3	4	4	4	4	4	4
17.	SUBTOTAL BUSINESS CUSTOMERS		2,330	2,321	2,319	2,322	2,321	2,319	2,322	2,332	2,342
18.	INDUSTRIAL (601.2.)	3/4"	2	2	1	0	0	0	0	0	0
19.		1	2	2	2	2	2	2	2	2	2
20.		1-1/2	0	0	0	0	0	0	0	0	0
21.		2	10	9	10	10	10	10	10	10	10
22.		3	0	0	0	0	0	0	0	0	0
23.		4	5	5	5	5	5	5	5	5	5
24.		6	2	2	2	2	2	2	2	2	2
25.		8	0	0	0	0	0	0	0	0	0
26.		10	1	1	1	1	1	1	1	1	1
27.	SUBTOTAL INDUSTRIAL CUSTOMERS		22	21	21	20	20	20	20	20	20
28.	PUBLIC AUTHORITIES (601.3.)	5/8 x 3/4	6	6	5	3	1	1	1	1	1
29.		3/4	7	7	7	6	6	6	6	6	6
30.		1	16	16	16	16	16	16	16	16	16
31.		1-1/2	10	10	11	12	12	12	12	12	12
32.		2	46	45	44	44	44	44	44	44	44
33.		3	38	38	37	37	37	37	37	37	37
34.		4	24	24	23	23	23	23	23	23	23
35.		6	2	2	2	2	2	2	2	2	2
36.		8	1	1	1	1	1	1	1	1	1
37.	SUBTOTAL PUBLIC AUTHORITIES CUSTOMERS		150	149	146	144	142	142	142	142	142
38.	SALES TO OTHER WATER UTILITIES FOR RESALE (606.)	3/4	0	0	0	0	0	0	0	0	0
39.		1	0	0	0	0	0	0	0	0	0
40.		2	0	0	0	0	0	0	0	0	0
41.		4	0	0	0	0	0	0	0	0	0
42.	SUBTOTAL SALES TO OTHER WATER UTILITIES CUSTOMERS		0	0	0	0	0	0	0	0	0
43.	CONSTRUCTION WATER SERVICE (609.)	2	0	0	0	0	1	1	1	1	1
44.		3	14	14	13	12	10	9	8	7	6
45.	TOTAL AVERAGE METERED WATER SERVICE CUSTOMERS		42,019	42,038	42,042	42,165	42,314	42,391	42,473	42,562	42,651

SUBURBAN WATER SYSTEMS
 WHITTIER/LA MIRADA SERVICE AREA
 METERED WATER SERVICE CUSTOMERS BY METER SIZE, AVERAGE FOR YEAR

TABLE 4-3

Line Number	Customer Class (PUC Account #)	Meter Size, Inches	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
AVERAGE METERED WATER SERVICE CUSTOMERS											
1.	RESIDENTIAL (601.11.)	5/8 x 3/4	5,328	5,325	5,292	5,285	5,307	5,302	5,297	5,292	5,287
2.		3/4	20,311	20,311	20,335	20,390	20,428	21,767	21,796	21,825	21,854
3.		1	5,188	5,194	5,246	5,281	5,277	5,310	5,374	5,396	5,418
4.		1-1/2	164	164	164	165	166	167	168	169	170
5.		2	20	20	20	20	20	20	20	20	20
6.		3	2	2	2	2	2	2	2	2	2
7.	SUBTOTAL RESIDENTIAL CUSTOMERS		31,013	31,016	31,059	31,143	31,200	32,568	32,657	32,704	32,751
8.	BUSINESS (601.12.)	5/8 x 3/4	93	93	91	91	92	92	92	92	92
9.		3/4	346	344	343	339	337	336	335	334	333
10.		1	427	426	428	431	429	430	431	432	433
11.		1-1/2	504	503	503	501	500	499	498	497	496
12.		2	567	568	569	571	573	575	577	579	581
13.		3	54	55	57	58	58	59	60	61	62
14.		4	32	32	32	33	33	33	33	33	33
15.		6	5	5	5	5	5	5	5	5	5
16.		8	0	0	0	0	0	0	0	0	0
17.	SUBTOTAL BUSINESS CUSTOMERS		2,028	2,026	2,028	2,029	2,027	2,029	2,031	2,033	2,035
18.	INDUSTRIAL (601.2.)	1	2	2	1	1	1	1	1	1	1
19.		1-1/2	1	1	1	1	1	1	1	1	1
20.		2	8	8	8	8	8	8	8	8	8
21.		3	0	0	0	0	0	0	0	0	0
22.		4	3	3	3	3	3	3	3	3	3
23.		6	1	1	1	1	1	1	1	1	1
24.		8	0	0	0	0	0	0	0	0	0
25.	SUBTOTAL INDUSTRIAL CUSTOMERS		15	15	14	14	14	14	14	14	14
26.	PUBLIC AUTHORITIES (601.3.)	5/8 x 3/4	5	4	4	4	3	3	3	3	3
27.		3/4	7	7	7	7	7	7	7	7	7
28.		1	36	36	36	36	37	37	37	37	37
29.		1-1/2	7	7	7	7	7	7	7	7	7
30.		2	32	32	32	32	31	31	31	31	31
31.		3	16	16	16	16	16	16	16	16	16
32.		4	31	31	31	32	32	32	32	32	32
33.		6	4	4	4	4	4	4	4	4	4
34.		8	1	1	1	1	0	0	-	0	0
35.	SUBTOTAL PUBLIC AUTHORITIES CUSTOMERS		139	138	138	139	137	137	137	137	137
36.	SALES TO OTHER WATER UTILITIES FOR RESALE (606.)	5/8 x 3/4	1	1	1	1	1	1	1	1	1
37.		3/4	7	7	7	7	7	7	7	7	7
38.		1	1	1	1	1	0	0	0	0	0
39.		1-1/2	1	1	1	1	1	1	1	1	1
40.		2	2	2	2	2	2	2	2	2	2
41.		4	1	1	1	1	1	1	1	1	1
42.		6	1	1	1	1	1	1	1	1	1
43.	SUBTOTAL SALES TO OTHER WATER UTILITIES CUSTOMERS		14	14	14	14	13	13	13	13	13
44.	CONSTRUCTION WATER SERVICE (609.)	1	1	1	1	1	1	1	1	1	1
45.		2	3	3	2	1	0	0	0	0	0
46.		3	11	12	13	10	9	9	9	9	9
47.		4	0	0	0	0	0	0	0	0	0
48.	SUBTOTAL CONSTRUCTION WATER SERVICE CUSTOMERS		15	16	16	12	10	10	10	10	10
49.	TOTAL AVERAGE METERED WATER SERVICE CUSTOMERS		33,224	33,225	33,269	33,351	33,401	34,771	34,862	34,911	34,960

		Recorded Year	Estimated Year		Test Year	
		2024	2025	2026	2027	2028
RESIDENTIAL						
1.	Average Customers	1,321	1,321	1,321	1,321	1,321
2.	Average Usage	143.46				
3.	Tariff Area 1 Usage	<u>189,508</u>				
4.	Total Sativa - Residential Usage	189,508				
5.						
BUSINESS						
6.	Average Customers	1	1	1	1	1
7.	Average Usage	193.00				
8.	Tariff Area 1 Usage	<u>193</u>				
9.	Total Sativa - Business Usage	193				
10.						
		<u>Meter Size, Inches</u>				
AVERAGE METERED SATIVA - RESIDENTIAL CUSTOMERS						
11.	5/8" x 3/4"	0	0	0	0	0
12.	3/4"	1,310	1,310	1,310	1,310	1,310
13.	1"	<u>11</u>	<u>11</u>	<u>11</u>	<u>11</u>	<u>11</u>
14.		1,321	1,321	1,321	1,321	1,321
AVERAGE METERED SATIVA - BUSINESS CUSTOMERS						
15.	5/8" x 3/4"	0	0	0	0	0
16.	3/4"	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
17.		1	1	1	1	1
END OF YEAR METERED SATIVA - RESIDENTIAL CUSTOMERS						
18.	5/8" x 3/4"	0				
19.	3/4"	1,310				
20.	1"	<u>11</u>				
21.		1,321				
END OF YEAR METERED SATIVA - Business CUSTOMERS						
22.	5/8" x 3/4"	0				
23.	3/4"	<u>1</u>				
24.		1				

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
NEW WATER SERVICE CUSTOMERS BY CUSTOMER CLASS, METER SIZE, AND OCCUPANCY YEAR

TABLE 4-5

Line Number	Customer Class (PUC Account #)	Meter Size, Inches	SAN JOSE HILLS SERVICE AREA			WHITTIER/LA MIRADA SERVICE AREA			TOTAL COMPANY		
			Estimated Year		Test Year	Estimated Year		Test Year	Estimated Year		Test Year
			2025	2026	2027	2025	2026	2027	2025	2026	2027
NEW METERED WATER SERVICE CUSTOMERS											
1.	RESIDENTIAL (601.11.)	5/8 x3/4							0	0	0
2.		3/4							0	0	0
3.		1					42		0	42	0
4.		1-1/2							0	0	0
5.		2							0	0	0
6.		3							0	0	0
9.	SUBTOTAL RESIDENTIAL CUSTOMERS		0	0	0	0	42	0	0	42	0
10.	BUSINESS (601.12.)	5/8 x3/4							0	0	0
11.		3/4							0	0	0
12.		1							0	0	0
13.		1-1/2							0	0	0
14.		2							0	0	0
15.		3							0	0	0
16.		4							0	0	0
17.	SUBTOTAL BUSINESS CUSTOMERS		0	0	0	0	0	0	0	0	0
18.	TOTAL NEW WATER SERVICE CUSTOMERS		0	0	0	0	42	0	0	42	0

SUBURBAN WATER SYSTEMS
SAN JOSE HILLS SERVICE AREA
COMPUTATION OF RECORDED AND ESTIMATED WATER SALES BY CUSTOMER CLASS, Ccf

TABLE 4-6A

Line Number	Customer Class (PUC Account #)	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
RESIDENTIAL (601.11.)										
1.	Average Customers	39,503	39,533	39,543	39,667	39,820	39,900	39,980	40,060	40,140
2.	Average Usage	183.0	179.2	161.9	142.5	152.4	150.3	146.4	140.8	137.8
3.	Tariff Area 1 Usage	3,610,659	3,479,123	3,159,870	2,886,060	3,046,528	2,991,879	2,920,088	2,814,010	2,759,553
4.	Tariff Area 2 Usage	2,809,297	2,819,495	2,546,356	2,164,842	2,380,099	2,351,774	2,295,342	2,211,960	2,169,153
5.	Tariff Area 3 Usage	808,769	783,867	697,447	600,787	642,744	653,318	637,641	614,478	602,586
6.	Total Residential Usage	7,228,725	7,082,485	6,403,673	5,651,689	6,069,371	5,996,970	5,853,072	5,640,448	5,531,292
BUSINESS (601.12.)										
7.	Average Customers	2,330	2,321	2,319	2,322	2,321	2,319	2,322	2,332	2,342
8.	Average Usage	948.6	989.2	989.0	856.6	879.0	900.0	884.0	858.0	850.0
9.	Tariff Area 1 Usage	966,308	986,547	986,767	937,302	973,452	934,847	919,415	896,217	891,667
10.	Tariff Area 2 Usage	1,133,143	1,184,152	1,193,956	963,896	967,726	1,049,043	1,031,726	1,005,694	1,000,589
11.	Tariff Area 3 Usage	110,879	125,184	112,849	87,701	98,883	103,210	101,506	98,945	98,443
12.	Total Business Usage	2,210,330	2,295,883	2,293,572	1,988,899	2,040,061	2,087,100	2,052,648	2,000,856	1,990,700
INDUSTRIAL (601.2.)										
13.	Average Customers	22	21	21	20	20	20	20	20	20
14.	Average Usage	17,766	17,879	15,222	13,555	16,913	16,267	16,267	16,267	16,267
15.	Tariff Area 1 Usage	319,883	303,521	250,150	211,332	274,954	260,956	260,956	260,956	260,956
16.	Tariff Area 2 Usage	70,978	71,930	69,518	59,767	63,310	64,384	64,384	64,384	64,384
17.	Tariff Area 3 Usage	0	0	0	0	0	0	0	0	0
18.	Total Industrial Usage	390,861	375,451	319,668	271,099	338,264	325,340	325,340	325,340	325,340
PUBLIC AUTHORITIES (601.3.)										
19.	Average Customers	150	149	146	144	142	142	142	142	142
20.	Average Usage	2,175	2,439	2,308	1,868	2,296	2,217	2,217	2,217	2,217
21.	Tariff Area 1 Usage	222,827	236,899	231,533	189,222	226,756	214,965	214,965	214,965	214,965
22.	Tariff Area 2 Usage	78,990	103,777	81,814	62,864	76,805	78,483	78,483	78,483	78,483
23.	Tariff Area 3 Usage	24,403	22,692	23,688	16,841	22,428	21,366	21,366	21,366	21,366
24.	Total Public Authorities Usage	326,220	363,368	337,035	268,927	325,989	314,814	314,814	314,814	314,814
CONSTRUCTION WATER SERVC. (609.)										
25.	Average Customers	14	14	13	12	11	10	9	8	7
26.	Average Usage	360	419	384	95	335	319	319	319	319
27.	Tariff Area 1 Usage	0	0	0	0	0	0	0	0	0
28.	Tariff Area 2 Usage	5,041	5,859	4,996	1,141	3,690	3,190	2,871	2,552	2,233
29.	Tariff Area 3 Usage	0	0	0	0	0	0	0	0	0
30.	Total Construction Water Service Usage	5,041	5,859	4,996	1,141	3,690	3,190	2,871	2,552	2,233
SUMMARY BY ZONE:										
31.	Tariff Area 1 Usage	5,119,677	5,006,090	4,628,320	4,223,916	4,521,690	4,402,647	4,315,424	4,186,148	4,127,141
32.	Tariff Area 2 Usage	4,097,449	4,185,213	3,896,640	3,252,510	3,491,630	3,546,874	3,472,806	3,363,073	3,314,842
33.	Tariff Area 3 Usage	944,051	931,743	833,984	705,329	764,055	777,894	760,513	734,789	722,395
34.	TOTAL USAGE	10,161,177	10,123,046	9,358,944	8,181,755	8,777,375	8,727,415	8,548,743	8,284,010	8,164,378

SUBURBAN WATER SYSTEMS
 WHITTIER/LA MIRADA SERVICE AREA
 COMPUTATION OF RECORDED AND ESTIMATED WATER SALES BY CUSTOMER CLASS, Ccf

TABLE 4-6B

Line Number	Class (PUC Account #)	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
RESIDENTIAL (601.11.)										
1.	Average Customers	31,013	31,016	31,059	31,143	32,521	32,568	32,657	32,704	32,751
2.	Average Usage	176.7	177.5	164.8	141.7	150.3	152.3	149.4	144.8	142.8
3.	Tariff Area 1 Usage	383,218	376,015	345,347	319,482	520,017	379,549	373,340	362,365	357,874
4.	Tariff Area 2 Usage	5,062,986	5,094,997	4,740,734	4,069,424	4,340,063	4,550,542	4,476,093	4,344,518	4,290,669
5.	Tariff Area 3 Usage	32,514	34,587	33,368	25,047	28,219	30,014	29,523	28,655	28,300
6.	Total Residential Usage	5,478,718	5,505,599	5,119,449	4,413,953	4,888,299	4,960,106	4,878,956	4,735,539	4,676,843
BUSINESS (601.12.)										
7.	Average Customers	2,028	2,026	2,028	2,029	2,028	2,030	2,032	2,034	2,036
8.	Average Usage	929.2	974.9	956.3	864.0	908.3	899.0	884.0	858.0	849.0
9.	Tariff Area 1 Usage	317,823	330,377	320,653	296,465	323,507	308,666	303,815	295,169	292,360
10.	Tariff Area 2 Usage	1,566,649	1,644,733	1,618,617	1,456,506	1,518,508	1,516,304	1,492,473	1,450,003	1,436,204
	Tariff Area 3 Usage	0	0	0	0	0	0	0	0	0
11.	Total Business Usage	1,884,472	1,975,110	1,939,270	1,752,971	1,842,015	1,824,970	1,796,288	1,745,172	1,728,564
INDUSTRIAL (601.2.)										
12.	Average Customers	15	15	14	14	14	14	14	14	14
13.	Average Usage	10,131	10,808	9,659	8,274	7,186	7,186	7,186	7,186	7,186
14.	Tariff Area 1 Usage	149,008	159,843	132,704	112,801	99,154	98,756	98,756	98,756	98,756
15.	Tariff Area 2 Usage	2,952	2,270	2,528	3,037	1,443	1,848	1,848	1,848	1,848
16.	Total Industrial Usage	151,960	162,113	135,232	115,838	100,597	100,604	100,604	100,604	100,604
PUBLIC AUTHORITIES (601.3.)										
17.	Average Customers	139	138	138	139	137	137	137	137	137
18.	Average Usage	3,044	3,350	2,760	2,540	2,660	2,871	2,871	2,871	2,871
19.	Tariff Area 1 Usage	29,710	34,906	37,650	26,456	28,753	31,223	31,223	31,223	31,223
20.	Tariff Area 2 Usage	393,338	427,436	343,277	326,586	335,662	362,104	362,104	362,104	362,104
21.	Total Public Authorities Usage	423,048	462,342	380,927	353,042	364,415	393,327	393,327	393,327	393,327
SALES TO OTHER WATER UTILITIES FOR RESALE (606.)										
22.	Average Customers	14	14	14	14	13	13	13	13	13
23.	Average Usage	506	603	471	365	259	441	441	441	441
24.	Tariff Area 2 Usage	7,077	8,443	6,590	5,106	3,368	5,733	5,733	5,733	5,733
25.	Total Sales to Other Water Utilities Usage	7,077	8,443	6,590	5,106	3,368	5,733	5,733	5,733	5,733
CONSTRUCTION WATER SERVICE (609.)										
26.	Average Customers	15	16	16	12	10	10	10	10	10
27.	Average Usage	1,028	883	674	321	461	673	673	673	673
28.	Tariff Area 2 Usage	15,424	14,120	10,787	3,847	4,609	6,730	6,730	6,730	6,730
29.	Total Construction Water Service Usage	15,424	14,120	10,787	3,847	4,609	6,730	6,730	6,730	6,730
SUMMARY BY ZONE										
30.	Zone 1 Usage	879,759	901,141	836,354	755,204	971,431	818,194	807,134	787,513	780,213
31.	Zone 2 Usage	7,048,426	7,191,999	6,722,533	5,864,506	6,203,653	6,443,261	6,344,981	6,170,936	6,103,288
32.	Zone 3 Usage	32,514	34,587	33,368	25,047	28,219	30,014	29,523	28,655	28,300
33.	TOTAL USAGE	7,960,699	8,127,727	7,592,255	6,644,757	7,203,303	7,291,469	7,181,638	6,987,104	6,911,801

SUBURBAN WATER SYSTEMS
 TOTAL COMPANY
 COMPUTATION OF ESTIMATED RECYCLED WATER SALES, Ccf

WORKSHEET 4-7K

Line Number	Customer Class (PUC Account #)	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
<u>SAN JOSE HILLS SERVICE AREA</u>										
1.	Average Customers	42	42	42	43	42	42	42	42	42
2.	Average Usage	7,042	7,478	6,519	5,004	5,590	6,327	6,327	6,327	6,327
3.	Tariff Area 1 Usage	49,922	49,660	46,573	27,047	39,052	42,294	42,294	42,294	42,294
4.	Tariff Area 2 Usage	245,646	264,251	227,236	188,111	195,274	223,275	223,275	223,275	223,275
5.	Tariff Area 3 Usage	192	165	0	0	472	165	165	165	165
6.	Total Recycled Water Usage	295,760	314,076	273,809	215,158	234,798	265,734	265,734	265,734	265,734
<u>AVERAGE METERED RECYCLED WATER SERVICE CUSTOMERS</u>										
	<u>Meter Size, Inches</u>									
7.	1	1	1	1	1	1	1	1	1	1
8.	1-1/2	0	0	0	0	0	0	0	0	0
9.	2	26	26	26	27	27	27	27	27	27
10.	3	7	7	7	7	6	6	6	6	6
11.	4	6	6	6	6	6	6	6	6	6
12.	6	2	2	2	2	2	2	2	2	2
13.		42	42	42	43	42	42	42	42	42
<u>END OF YEAR METERED RECYCLED WATER SERVICE CUSTOMERS</u>										
	<u>Meter Size, Inches</u>									
14.	1	1	1	1	1	1	1	1	1	1
15.	1-1/2	0	0	0	0	0	0	0	0	0
16.	2	26	26	26	27	27	27	27	27	27
17.	3	7	7	7	7	6	6	6	6	6
18.	4	6	6	6	6	6	6	6	6	6
19.	6	2	2	2	2	1	1	1	1	1
20.		42	42	42	42	41	41	41	41	41

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
OPERATING REVENUES AT PRESENT WATER RATES, DOLLARS

TABLE 4-7

Line Number	Customer Class (PUC Account #)	Recorded Year					Estimated Year		Test Year		
		2020	2021	2022	2023	2024	2025	2026	2027	2028	
OPERATING REVENUES AT PRESENT WATER RATES											
<u>METERED WATER SERVICE REVENUES</u>											
1.	Residential Sales	62,509,705	66,659,954	66,141,873	65,228,581	73,625,099	72,284,832	73,371,683	71,810,699	71,104,571	
2.	Business Sales	16,371,187	18,351,563	19,389,784	18,347,996	20,255,525	21,765,714	22,106,191	21,658,349	21,555,385	
3.	Industrial Sales	1,769,792	1,918,295	1,718,293	1,696,328	1,883,881	2,005,564	2,061,886	2,061,886	2,061,886	
4.	Sales to Public Authorities	3,873,990	4,521,311	4,319,687	3,842,535	4,511,454	3,759,607	3,865,303	3,865,303	3,865,303	
5.	Sales to Other Water Utilities for Resale	39,913	48,174	41,755	36,436	25,909	45,370	46,645	46,645	46,645	
6.	Construction/Flooding Sales	100,567	116,401	117,191	69,476	86,289	98,815	96,997	92,402	87,805	
7.	Recycled Water Sales	957,111	1,096,517	1,048,705	886,030	1,007,736	1,160,985	1,193,695	1,193,695	1,193,695	
8.	TOTAL METERED WATER SERVICE REVENUES	85,622,265	92,712,214	92,777,288	90,107,383	101,395,893	101,120,887	102,742,400	100,728,979	99,915,290	
<u>OTHER WATER SERVICE REVENUES</u>											
9.	P.U.C. Reimbursement Fee	0.68%	1,188,747	1,329,671	1,427,050	801,061	707,503	701,994	713,381	699,645	694,067
10.	Private Fire Protection Service		1,488,981	1,652,962	1,726,893	1,769,646	1,914,250	1,878,436	1,925,434	1,919,354	1,913,277
11.	Fire Hydrant Service on Private Property		183,237	195,820	215,616	218,810	240,651	235,094	241,171	240,669	240,166
12.	TOTAL OTHER WATER SERVICE REVENUES		2,860,965	3,178,454	3,369,559	2,789,516	2,862,404	2,815,524	2,879,986	2,859,668	2,847,510
13.	TOTAL WATER SERVICE REVENUES		88,483,230	95,890,668	96,146,847	92,896,899	104,258,297	103,936,411	105,622,386	103,588,647	102,762,800
14.	Total Water Service Revenues Less P.U.C. Reimbursement Fee		87,294,483	94,560,997	94,719,797	92,095,838	103,550,794	103,234,417	104,909,005	102,889,002	102,068,733
<u>OTHER WATER REVENUES</u>											
16.	Miscellaneous Service Revenues		5,955	17,552	73,688	179,815	205,471	192,643	192,643	192,643	192,643
17.	Non Tariffed Products & Services & Other		174,718	211,139	251,122	209,755	213,853	216,442	217,459	215,432	216,510
18.	TOTAL OTHER WATER REVENUES		180,673	228,691	324,810	389,570	419,324	409,085	410,102	408,075	409,153
19.	AMORTIZATION OF DEFERRED REVENUES		19,542	35,564	33,486	27,084	25,580	25,580	25,580	25,580	25,580
20.	TOTAL OPERATING REVENUES AT PRESENT RATES Less PUC Fee		87,494,698	94,825,252	95,078,093	92,512,492	103,995,698	103,669,082	105,344,687	103,322,657	102,503,466

■ Chapter – Operating Expenses

The Summary of Suburban Water Systems’ payroll, operation and maintenance expenses, and administrative and general expenses for recorded years 2020 through 2024, estimated years 2025 and 2026, and test years 2027 and 2028, is presented in Table 5. The Summary of Shared Services expenses is presented in Table 5-2A. The development of estimated and test year expenses for years ending December 31, 2025 through 2028 is discussed in this chapter.

5.1 Volume-Related Expenses

Volume related expenses, particularly pump taxes and purchased water, have increased greatly.

Based on the assumption that these increased pump taxes and purchased water costs will be allowed to be recovered in general rates, Suburban has assumed that balancing accounts for Pumped, Purchased Water and Power will be zero for estimated and test years 2027 through 2029.

Pumped water assessment charges are based on projected production obtained from the Main San Gabriel Basin and the Central Basin. Purchased water expenses are based on specifically identified purchases of water from a number of sources including the Metropolitan Water District, Covina Irrigating Company, California Domestic Water Company, Walnut Valley Water District, and others. The quantities produced and purchased are based on projected sales levels, which is described Chapter 4.

Suburban is providing recycled water service in the San Jose Hills Service Area pursuant to an agreement with the Upper San Gabriel Valley Water Management District agreed to in December of 2010.

5.2 Payroll Expenses

Proposed Merit Increases – We utilize the California Public Advocates’ August 31, 2025, reported for Labor Escalation Factor to calculate the annual merit increase for payroll expenses.

Proposed Overtime, Standby, etc. - Payroll expenses for overtime, holiday, vacation sold, no meal premium, performance pay, and capitalized payroll for test years 2027 and 2028 are calculated based on recorded percentage allocation of regular payroll in 2024 and payable amount in 2025 for performance pay.

5.3 Operating Expenses Other Than Payroll and Volume Related

Source of Supply expenses are calculated based on estimated water consumption, projected number of customers, and volume related purchased and pumped water costs as of 2024/2025 water cost rate per acre foot.

Pumping expenses for electric and gas are based on estimated water sales. Purchased power expenses for test years 2027 and 2028 were computed on the basis of water quantities to be pumped using the most current Southern California Edison Company rates as of October 1, 2025,

at the time of the proposed application was filed. Southern California Gas Company rates are calculated based on the average cost of recorded year 2024.

Water treatment and Transmission and Distribution expenses are projected based on the historic five-year average, or prior year escalated to account for inflation. In addition, some expense accounts have been adjusted based on the most recent information that Suburban was aware of. More detail explanation on the specific expense account adjustment has been included in Workpapers Volume II.

Customer Account Expenses are projected based on the historic five-year average, or prior year escalated to account for inflation. The uncollectibles expense is projected based on the historic five-year average proposed uncollectible rate multiplied by water service revenues.

In light of the California’s Making Conservation a California Way of Life Regulations, water conservation expense reflects ongoing aggressive conservation efforts in recognition of continuing drought conditions, political and social pressure. The Company’s conservation efforts are described in further detail in the Direct Testimony of Maureen K. Erbeznik for Suburban’s projected compliance, the costs, mandatory compliance tasks in 2027 through 2029. See the Direct Testimony of Lauren James regarding conservation programs, which consists of the following programs:

A.	Theater Program	\$33,500
B.	Resource Action Program	\$20,000
C.	Customer Awareness Communications	\$90,000
D.	Landscape Workshop Series	\$11,500
E.	Materials - Conservation Kits	\$40,000
F.	CII Landscape Surveys and Retrofits	\$110,000
G.	Water Smart Neighbor Comparison Letters	\$150,000
H.	Customer Plumbing Leak Reimbursement Program	\$45,000

Pursuant to terms of the settlement adopted in D.19-05-029, Suburban’s one-way conservation expense balancing account for period 2021 – 2023 had an overspent balance of \$54,291. Consequently, there is no amount refunded to customers.

Consistent with the ordering paragraph number fifty in D.24-12-030, Suburban continues the practice of maintaining a one-way balancing account to track water conservation costs. Suburban will true-up the expense associated with the conservation program in the next GRC due to the balancing account being designed to track costs over the 3-year rate case cycle (2024 – 2026) and the proposed application will be filed on November 3, 2025. Year to date, the costs incurred in the conservation balancing account only covered January 2024 through September 2025.

Office Supplies and Other Expenses are based on the historic five-year average or prior year, escalated to account for inflation. Some expense accounts have been adjusted to reflect more reasonable forecasted amounts. For further detail on a specific expense account, please see Workpapers Vol. II section 5.

Insurance premiums are allocated based on Shared Services allocation methodology and escalated based on CPI-U escalation for Test Years 2027 and 2028. See direct testimony for Shared Services for further discussion.

Safety/Compliance Training expense is based on the historic five-year average, escalated to account for inflation and an additional amount of \$10,512 has been added in year 2026 for additional training cost related to Smith System Driving Course for three employees. Please see Direct Testimony of Michael De Ghetto Section IV – Staff Safety for further detail.

Medical, Prescription Drugs and Dental Insurance cost per employee per month is based on direct testimony of Brian J. Devereux.

Employee Welfare expense is based on the adjusted historic five-year average, escalated to account for inflation.

Auto Allowance for 2025 and 2026 are based on known actual expense as of August 2025. The amount has been adjusted to account for less disbursement. Test Years 2027 and 2028 are projected at the same level as 2026.

Franchise fees expenses are based on projected water revenues less UF Surcharge. The five-year average of historical percentage rates is applied to projected revenues to arrive at the expense level. It is assumed that recovery of excess franchise fees charged by the City of Whittier, defined as franchise fees greater than 2% of revenue, will continue to be recovered as a surcharge, categorized as a Local Government Fee, directly from Whittier customers as approved by Suburban Advice Letter 277-W.

Regulatory Expenses for Test Years 2027 and 2028 are based on historic five-year average, escalated to account for inflation.

Professional dues for the Test Year 2027 of \$169,521 pertain predominately to memberships in two water industry-related trade associations. Seventy-six percent of the 2024 recorded included in this GRC related to California Water Association (CWA), \$56,561, and The National Association of Water Companies (NAWC), \$65,135.

CWA is the statewide association representing the interests of water utilities subject to the jurisdiction of the Commission. CWA's members provide safe, reliable, high-quality drinking water to approximately six million Californians. CWA's core mission is to represent the interests of California investor-owned water companies, to provide a forum for sharing best management practices, to provide a means of promoting sound water policy by legislators and regulatory agencies, and to provide opportunities for educating the public on the protection and

efficient use of water resources. Pursuant to a January 24, 1994 understanding with California Advocates, 38% of CWA dues are allowable for ratemaking.

NAWC members collaborate, share best practices and leverage their strengths to benefit the communities they serve. NAWC's annual Commissioner Water Policy Forum has become a well-known annual event among state regulators who are active in the water arena. The purpose of the Forum is to share information and ideas and to build a common understanding of the most important issues affecting private water utilities, as well as the customers they serve and the agencies that regulate them. Eighty-nine percent of NAWC dues are considered deductible for federal income tax purposes and are included in this GRC for purposes of ratemaking.

Rent/lease includes the actual lease cost of Suburban's San Jose Hills and Whittier/La Mirada Service Area office facilities.

Capitalized employee benefits are computed at a level of 43.37% of capitalized payroll beginning in Test Year 2024.

Administrative expense transferred is computed at a level of 10.01% of the sum of work order capital expenditures and cost of removal beginning in Test Year 2027.

Transportation expenses capitalized are computed at a level of 16.51% of total capitalized payroll beginning in Test Year 2027.

5.4 Shared Services Expenses

Nexus Water Group is the Parent Company of a number of operating subsidiaries, including Suburban. The primary shared services performed by Nexus on behalf of Suburban include oversight responsibility for all financial aspects of the Company, including all reporting to the shareholders and taxing authorities; maintenance of banking and corporate attorney relationships; administration of liability insurance programs; long-term strategic planning and execution of these plans for debt and equity offerings. The projected indirect expenses related to these services for 2027 and 2028 are shown on Table 5-2B.

5.5 Allocation of Share Services Expenses

Allocation of Shared Services expenses to Suburban is based on Cost Allocation Manual (CAM). The summary of allocation to Suburban is shown in Table 5-2A. This allocation methodology is believed to fairly represent the scope of services provided to Suburban by its parent, Nexus Water Group. For further detail, please see direct testimony for Shared Services.

Certain Shared Services expenses can be identified as directly benefiting affiliates and those costs have been directly allocated.

5.6 Insurance

See Direct Testimony for Shared Services.

5.7 Alternative Methodology

Suburban has provided calculations of operating expenses based on alternative methodology (simple five-year average escalated) described in Table 5-4.

5.8 Request to Continue the Lead and Copper Rule Revision Memorandum Account

Suburban requests the continuation of its Lead and Copper Rule Revision Memorandum Account (LCRRMA) since the circumstances requiring the account have not changed. On June 16th, 2021, in a Federal Register Notice, the EPA announced revisions to the Lead and Copper Rules (LCRR) would go into effect to support near-term development of actions to reduce lead in drinking water. Specifically, lead service line inventories would be developed under the LCRR to achieve 100% removal of lead service lines. The EPA’s deadline for submitting information was October 16, 2024. Suburban submitted its lead service line inventory prior to the deadline using a statistical analysis method approved by DDW.

On October 8th, 2024, the EPA issued a Fact Sheet outlining key provisions from the Lead and Copper Rule Improvements (LCRI). The final LCRI supports ongoing efforts to locate existing lead pipes. According to the fact sheet,

“... Systems also must create a service line replacement plan that includes a strategy to prioritize replacement considering community-specific factors, such as populations disproportionately impacted by lead. Water systems are required to make their inventory and replacement plans available to the public.”

Further

“...For sites with lead service lines, water systems are required to collect and analyze the first-liter and fifth-liter and use the higher of the two values when determining compliance with the rule.”

Suburban must comply with the LCRI requirements by November 1, 2027, and costs to comply with these new rules, while substantial, are currently unknown. The LCRI-related expenses Suburban will incur could not possibly have been reasonably foreseen in Suburban’s last GRC, are expected to be substantial, and much will occur before the first year of this rate case. Therefore, Suburban requests continuation of the LCRRMA to track these costs.

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
OPERATING EXPENSES, DOLLARS

TABLE 5-1

Line Number	CPUC Account Number	Description	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
PAYROLL EXPENSES											
1.		Operation Payroll	2,594,609	2,678,623	2,669,477	2,672,348	3,180,010	3,216,066	3,306,124	3,392,083	3,476,885
2.		Maintenance Payroll	2,096,997	2,253,085	2,281,774	2,374,929	2,804,714	2,836,514	2,915,944	2,991,758	3,066,552
3.		Administrative and General Payroll	6,088,927	7,541,253	8,162,408	7,739,705	7,807,172	7,895,690	8,116,790	8,327,826	8,536,022
4.		TOTAL PAYROLL EXPENSES	10,780,533	12,472,961	13,113,658	12,786,981	13,791,896	13,948,270	14,338,857	14,711,667	15,079,459
OPERATING EXPENSES OTHER THAN PAYROLL											
5.	703	Pumped Water Assessments, Main Basin	11,741,436	7,277,404	7,762,650	7,187,675	9,044,230	9,457,785	9,543,525	10,796,751	10,812,650
6.	703	Pumped Water Assessments, Central Basin	380,791	476,390	(25,243)	433,317	843,124	325,758	325,758	325,758	325,758
7.	703	Balancing Account Expense	(7,656,264)	(1,254,173)	(2,990,439)	(5,352,038)	(1,364,922)	0	0	0	0
8.	704	Purchased Water	15,959,922	21,697,971	17,243,840	12,903,312	14,530,691	20,386,895	19,556,523	17,870,613	17,208,684
9.	711	Maintenance - Well Repairs	0	155	1,542	0	0	367	377	387	396
10.	726	Purchased Power	3,365,984	3,797,401	3,989,992	4,671,073	5,324,201	4,374,782	4,322,997	4,240,468	4,205,501
11.	721- 733	Other Pumping Expenses	75,808	62,918	77,068	75,151	95,157	102,893	147,650	151,696	155,368
12.	741- 748	Water Treatment Expenses	616,064	603,270	747,577	1,060,342	1,159,831	1,202,907	1,243,843	1,277,924	1,308,849
13.	751- 766	Transmission and Distribution Expenses	1,155,843	1,347,338	1,543,271	1,536,110	1,647,448	1,674,297	1,718,088	1,735,936	1,779,018
14.	773	Postage	341,452	360,819	388,094	404,778	478,804	439,254	451,026	463,384	474,598
15.	775	Uncollectible Accounts	154,831	114,000	139,875	123,872	556,488	227,116	230,800	226,356	224,551
16.	771- 775	Other Customer Accounts Expenses	125,898	158,442	193,920	202,151	149,395	191,110	196,231	201,607	206,485
17.	783	Water Conservation	305,336	432,504	450,183	471,603	450,643	450,000	450,000	500,000	500,000
18.	792	Office Supplies and Other Expenses	1,632,840	1,712,757	2,106,710	2,306,227	2,201,860	2,502,977	2,579,112	2,694,780	2,759,993
19.	793	Property, Contractor's Equipment & Excess CA Earthquake Ins.	542,610	670,537	766,150	565,893	493,483	497,690	496,231	510,622	525,430
20.	794	Insurance, Injuries and Damages	460,200	802,968	832,188	818,669	819,789	984,876	923,707	949,033	975,073
21.	795	Employees' Pensions and Benefits	2,405,467	2,484,527	2,559,738	2,642,620	2,825,064	2,287,997	2,508,103	2,784,422	3,026,128
22.	796	Franchise Requirements	1,020,630	1,051,826	1,132,920	1,175,901	1,297,346	1,238,813	1,258,908	1,234,668	1,224,825
23.	797	Regulatory Commission Expenses	593,685	671,335	842,956	804,131	1,126,819	891,858	915,760	940,852	963,621
24.	797	P.U.C. Reimbursement Fee	1,188,747	1,329,671	1,427,050	801,061	707,503	701,994	713,381	699,645	694,067
25.	798	Outside Services Employed	324,293	386,902	396,219	349,845	304,995	395,257	405,850	416,970	427,061
27.	799- 805	Other Administrative and General Expenses	288	(24,658)	39,744	82,966	97,826	40,531	41,177	55,133	56,157
28.	811	Rent/Lease	642,751	622,243	566,656	544,872	575,554	597,648	614,748	634,176	647,088
29.	812	General Administrative Overhead - Cr.	(1,734,312)	(4,094,231)	(4,670,811)	(5,339,190)	(3,551,764)	(1,744,136)	(3,222,282)	(7,257,068)	(7,040,198)
30.		Parent Company Allocation	7,682,350	7,383,276	7,550,308	8,396,163	7,728,517	7,857,063	7,916,764	8,543,103	8,906,777
31.		TOTAL OPERATING EXPENSES OTHER THAN PAYROLL	41,326,649	48,071,591	43,072,158	36,866,503	47,542,080	55,085,732	53,338,276	49,997,217	50,367,880
OPERATING EXPENSES SUMMARY											
32.		PAYROLL EXPENSE	10,780,533	12,472,961	13,113,658	12,786,981	13,791,896	13,948,270	14,338,857	14,711,667	15,079,459
33.		TOTAL OPERATING EXPENSES OTHER THAN PAYROLL	41,326,649	48,071,591	43,072,158	36,866,503	47,542,080	55,085,732	53,338,276	49,997,217	50,367,880
34.		TOTAL OPERATING EXPENSES	52,107,182	60,544,552	56,185,816	49,653,484	61,333,976	69,034,002	67,677,133	64,708,884	65,447,339

SUBURBAN WATER SYSTEMS
PARENT COMPANY
ADMINISTRATIVE AND GENERAL EXPENSES AND ALLOCATION, DOLLARS

TABLE 5-2A

Note: For Table 5-2A and Table 5-2B details, please see files entitles: 2026 GRC SWS - Corporate Costs Attachments 2 - 5 CONFIDENTIAL.xlsx, Corp Payroll Analysis 2025 CONFIDENTIAL.xlsx, and Isolated CAM GL detail Jan-May 25 Non-EE.xlsx

Line	Description	Allocation Scope	Adjusted 2025	Suburban Allocation	Suburban 2025	Adjusted 2026	Suburban Allocation	Suburban 2026	Adjusted 2027	Suburban Allocation	Suburban 2027	Adjusted 2028	Suburban Allocation	Suburban 2028
NEXUS WATER GROUP EXPENSES														
ADMINISTRATIVE AND GENERAL EXPENSES - Allocation Categories														
1.	Corix Only - CAD	ALL-Corix Only	772,439	0.00%	-	786,432	0.00%	-	-	0.00%	-	-	0.00%	-
2.	Corix Only - USD	ALL-Corix Only	11,021,136	0.00%	-	11,295,292	0.00%	-	-	0.00%	-	-	0.00%	-
3.	Corix Only (CC&B)- USD	ALL - Except AK & WSES	237,248	0.00%	-	241,334	0.00%	-	-	0.00%	-	-	0.00%	-
4.	Corix Only (CC&B)- CAD	ALL - Except AK & WSES	2,903,277	0.00%	-	2,977,772	0.00%	-	-	0.00%	-	-	0.00%	-
5.	Enterprise Service - CAD	ALL	1,136,457	15.08%	171,368	1,115,016	15.83%	176,502	2,010,624	16.09%	323,499	2,057,019	16.09%	330,963
6.	Enterprise Service - USD	ALL	31,510,219	15.08%	4,751,478	30,809,918	15.83%	4,877,084	49,831,541	16.09%	8,017,625	51,479,615	16.09%	8,282,791
7.	Enterprise Service (CC&B) - CAD	ALL - Except AK & WSES	141	16.44%	23	139	17.25%	24	-	17.55%	-	-	17.55%	-
8.	Enterprise Service (CC&B) - USD	ALL - Except AK & WSES	511,004	16.44%	83,996	510,072	17.25%	87,964	-	17.55%	-	-	17.55%	-
9.	SWWC Only - USD	ALL-SWWC Only	7,658,069	32.06%	2,455,549	7,879,512	32.15%	2,533,133	-	31.01%	-	-	31.01%	-
10.	Total Nexus Water Group Expenses		55,749,990		7,462,414	55,615,486		7,674,708	51,842,165		8,341,123	53,536,633		8,613,754
11.	IT Rate Base - Depreciation Exp., Allocation		1,230,784	32.06%	394,649	1,526,200	15.86%	242,055	1,255,352	16.09%	201,979	1,821,211	16.09%	293,023
12.	Total Parent Company Costs		56,980,774			57,141,687			53,097,517			55,357,844		
13.	Total Parent Company Allocation to SWS				7,857,063			7,916,764			8,543,103			8,906,777

Line	Description	Allocation Scope	gross	diff	pre-divestiture	gross	diff	pre-divestiture	gross	diff	pre-divestiture	
14.	SWS Divestment differences:											
15.	Enterprise Service - CAD	ALL	-	-	176,502	-	-	323,499	-	-	330,963	
16.	Enterprise Service - USD	ALL	-	-	4,877,084	-	-	8,017,625	-	-	8,282,791	
17.	Enterprise Service (CC&B) - CAD	ALL - Except AK & WSES	-	-	24	-	-	-	-	-	-	
18.	Enterprise Service (CC&B) - USD	ALL - Except AK & WSES	-	-	87,964	-	-	-	-	-	-	
19.	SWWC Only - USD	ALL-SWWC Only	-	-	2,533,133	-	-	-	-	-	-	
20.			-	-	7,674,708	-	-	8,341,123	-	-	8,613,754	
21.	Hardcoded (once above links to allocators switched to 2H 26 and 2027-28)											
22.	Enterprise Service - CAD	ALL	(41,150)	(6,514)		(108,428)	(17,445)		(110,930)	(17,848)		
23.	Enterprise Service - USD	ALL	(1,137,041)	(179,989)		(2,687,286)	(432,370)		(2,776,162)	(446,669)		
24.	Enterprise Service (CC&B) - CAD	ALL - Except AK & WSES	(6)	(1)		-	-		-	-		
25.	Enterprise Service (CC&B) - USD	ALL - Except AK & WSES	(20,570)	(3,547)		-	-		-	-		

Line	Description	Allocation Scope	2025	2026	2027	2028	H1 2026	H2 2026	Avg 2026
26.		ALL-Corix Only					0.00%	0.00%	0.00%
27.		ALL-Corix Only					0.00%	0.00%	0.00%
28.		ALL - Except AK & WSES-Corix Only					0.00%	0.00%	0.00%
29.		ALL - Except AK & WSES-Corix Only					0.00%	0.00%	0.00%
30.		ALL					15.27%	16.39%	15.83%
31.	Capitalized OH:	ALL					15.27%	16.39%	15.83%
32.	Capitalized OH	ALL - Except AK & WSES	\$ 8,414,369	\$ 8,656,764	\$ 8,931,896	\$ 9,207,494	16.58%	17.91%	17.25%
33.	Suburban %	ALL - Except AK & WSES	8.44%	8.44%	8.44%	8.44%	16.58%	17.91%	17.25%
34.	Suburban Cap. OH	ALL-SWWC Only	\$ 710,248	\$ 730,708	\$ 753,932	\$ 777,195	32.15%	32.15%	32.15%

SUBURBAN WATER SYSTEMS
PARENT COMPANY
ADMINISTRATIVE AND GENERAL EXPENSES, DOLLARS

Note: For Table 5-2A and Table 5-2B details, please see file entitles: 2026 GRC SWS - Corporate Costs Attachments 2 - 5 CONFIDENTIAL.xlsx, TABLE 5-2B Corp Payroll Analysis 2025 CONFIDENTIAL.xlsx, and Isolated CAM GL detail Jan-May 25 Non-EE.xlsx

Line Number	CPUC Acct.#	Description	Recorded		Recorded Year			Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
<u>PAYROLL AND BENEFITS</u>											
1.	901	Payroll Expense	7,515,553	8,100,050	8,541,586	8,631,733	20,384,415	26,686,975	26,442,008	26,105,368	26,750,537
2.	901	Payroll Taxes (Social Security & Medicare)	529,506	556,436	596,620	712,603	2,867,446	1,941,058	1,979,994	2,014,604	2,048,063
3.	901	Health Insurance	636,352	720,173	789,575	874,282	2,866,230	2,916,840	3,211,223	3,523,918	3,867,315
4.	901	Employee Welfare	532,068	4,908	(43,577)	196,827	637,688	134,474	138,078	141,861	145,294
5.	901	Workers Compensation	95,122	42,462	16,165	12,532	(362,832)	0	0	-	-
6.	901	Pension Expense	501,755	482,107	468,936	641,243	1,266,941	2,101,860	2,231,929	2,289,430	2,345,378
7.	901	Incentive Compensation	4,858,985	3,737,808	5,042,869	6,200,997	7,690,383	8,206,343	8,398,293	8,622,716	8,839,543
8.	901	Severance	-	-	-	-	0	0	0	-	-
9.	901	IT Direct Costs	-	-	-	-	0	0	0	-	-
10.	901	Capitalized Labor	(1,287,132)	(1,200,737)	(1,699,788)	(1,843,650)	(1,480,359)	(10,298,144)	(11,033,712)	(10,929,698)	(10,980,430)
11.	901	Subtotal Payroll and Benefits	13,382,210	12,443,207	13,712,384	15,426,568	33,869,912	31,689,406	31,367,812	31,768,200	33,015,700
<u>LEGAL ENTITY COSTS</u>											
12.	901	Legal Fees	85,958	27,739	55,039	51,623	511,741	236,894	243,764	250,833	258,107
13.	901	Audit/Accounting Fees	493,027	571,913	576,294	681,347	667,518	1,552,790	1,597,821	1,644,158	1,691,839
14.	901	Director Fees	841,286	695,000	843,445	885,660	483,439	699,202	717,940	737,612	755,462
15.	901	Financial Public Relations	-	-	-	-	0	0	0	0	0
16.	901	Subtotal Public Company Costs	1,420,270	1,294,652	1,474,778	1,618,631	1,662,698	2,488,886	2,559,526	2,632,603	2,705,408
<u>OFFICE RENT AND EXPENSES</u>											
17.	901	Dues and Subscriptions	80,648	85,438	160,541	147,729	728,827	305,164	313,342	321,928	329,718
18.	901	Office Supplies	23,095	22,174	40,907	19,161	157,504	69,421	71,282	73,235	75,007
19.	901	Telecommunication Expense	245,151	199,919	345,113	374,029	1,219,917	652,351	669,835	602,557	616,728
20.	901	Postage	16,941	14,386	17,872	20,804	581,186	67,872	69,691	71,600	73,333
21.	901	Utilities, Maintenance & Repairs	169,423	160,615	185,349	209,895	766,912	290,161	297,937	306,100	313,508
22.	901	Computer & IT Service Fees	1,301,966	868,221	1,570,740	1,895,618	5,951,906	10,213,304	10,087,432	6,467,812	6,600,227
23.	901	Machine Rental	47,418	59,649	55,985	60,371	33,332	1,344	1,383	1,424	1,465
24.	901	Rent	263,388	256,323	219,321	223,883	653,005	915,813	942,371	969,700	997,822
25.	901	Property Taxes	82,466	78,696	80,325	119,231	52,630	2,996	3,076	3,160	3,237
26.	901	Subtotal Office Rent and Expenses	2,230,496	1,745,422	2,676,153	3,070,720	10,145,219	12,518,426	12,456,348	8,817,516	9,011,044
<u>GENERAL AND ADMINISTRATIVE</u>											
27.	901	Training and Seminars	72,496	82,305	152,364	90,425	102,673	514,305	528,089	542,558	555,688
28.	901	Executive Conferences	-	-	-	-	0	0	0	-	-
29.	901	Insurance	116,697	185,265	207,614	206,284	260,621	433,189	445,752	458,678	471,980
30.	901	Travel and Entertainment Expense	73,103	142,694	300,115	352,744	507,967	608,482	624,790	641,909	657,443
31.	901	Outside Services	764,921	459,143	999,817	959,859	2,173,405	3,353,999	3,451,265	3,487,339	3,588,472
32.	901	Recruiting	17,098	1,305	30,962	69,953	8,137	182,167	187,049	192,174	196,825
33.	901	Temp Labor	100,449	-	46,629	226,869	209,268	861,359	885,477	908,499	931,212
34.	901	Allocated Prof Fees	-	-	-	-	0	0	0	0	0
35.	901	Capitalized G & A Other	-	-	-	-	0	0	0	0	0
36.	901	Other	-	-	6,713	-	(1,916,220)	0	0	0	0
37.	901	Subtotal General and Administrative Expenses	1,144,765	870,712	1,744,213	1,906,134	1,345,850	5,953,501	6,122,420	6,231,158	6,401,620
<u>OTHER EXPENSES</u>											
38.	901	Bank & Rating Agency Charges	174,745	185,757	215,532	161,471	347,320	330,934	340,531	350,407	360,568
39.	901	Interest - Deferred Compensation	-	-	-	-	0	0	0	0	0
40.	901	Franchise Taxes	-	-	84,233	66,236	(100,119)	420	431	443	454
41.	901	Other Expenses	-	-	-	-	2,269,725	2,768,418	2,768,418	2,041,839	2,041,839
42.	901	Subtotal Other Expenses	174,745	185,757	299,765	227,708	2,516,926	3,099,772	3,109,380	2,392,689	2,402,861
43.	901	SUBTOTAL PARENT COMPANY EXPENSES	18,352,485	16,539,750	19,907,293	22,249,761	49,540,605	55,749,990	55,615,486	51,842,165	53,536,633
44.	902	IT Rate Base - Depreciation Expense	669,762	902,620	2,072,881	2,008,829	1,346,923	1,230,784	1,526,200	1,255,352	1,821,211
45.	903	TOTAL PARENT COMPANY EXPENSES	19,022,247	17,442,370	21,980,175	24,258,590	50,887,528	56,980,774	57,141,687	53,097,517	55,357,844

2025 - 2028 CR REIMBURSEMENT

Line Number	DESCRIPTION	CR REIMBURSEMENT / YEAR			
		2025	2026	2027	2028
1.	Purchased Water	(\$462,623)	(\$444,836)	(\$406,249)	(\$387,968)

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
ALTERNATIVE METHOD - OPERATING EXPENSES BASED ON SIMPLE FIVE-YEAR AVERAGE, DOLLARS

TABLE 5-4

Line Number	CPUC Account Number	Description	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
PAYROLL EXPENSES											
1.		Operation & Maintenance Payroll	4,691,605	4,931,708	4,951,250	5,047,276	5,984,724	6,052,580	6,222,067	6,383,841	6,543,437
2.		Administrative and General Payroll	6,088,927	7,541,253	8,162,408	7,739,705	7,807,172	7,895,690	8,116,790	8,327,826	8,536,022
3.		TOTAL PAYROLL EXPENSES	10,780,533	12,472,961	13,113,658	12,786,981	13,791,896	13,948,270	14,338,857	14,711,667	15,079,459
OPERATING EXPENSES OTHER THAN PAYROLL											
<u>Operation & Maintenance Expenses</u>											
4.	703-704	Source of Supply Expenses	20,425,884	28,197,592	21,990,808	15,172,266	23,053,123	30,170,438	29,425,806	28,993,122	28,347,092
5.	711	Maintenance of Wells	0	155	1,542	0	0	367	377	387	396
6.	726	Purchased Power	3,365,984	3,797,401	3,989,992	4,671,073	5,324,201	4,374,782	4,322,997	4,240,468	4,205,501
7.	721-733	Pumping Expenses	75,808	62,918	77,068	75,151	95,157	86,170	88,479	90,903	93,104
8.	741-748	Water Treatment Expenses	616,064	603,270	747,577	1,060,342	1,159,831	922,192	946,907	972,852	996,395
9.	751-766	Transmission & Distribution Expenses	1,155,843	1,347,338	1,543,271	1,536,110	1,647,448	1,605,991	1,649,031	1,694,215	1,735,214
10.	771-774	Customer Account Expenses	467,349	519,261	582,014	606,929	628,199	623,610	640,323	657,867	673,787
11.	775	Uncollectibles	154,831	114,000	139,875	123,872	556,488	227,116	230,800	226,356	224,551
12.	783	Water Conservation	305,336	432,504	450,183	471,603	450,643	468,255	480,804	493,978	505,932
13.											
14.		TOTAL OPERATION & MAINTENANCE EXPENSES	26,567,099	35,074,439	29,522,330	23,717,345	32,915,088	38,478,921	37,785,524	37,370,149	36,781,972
<u>Administrative & General Expenses</u>											
15.	792	Office Supplies and Other Expenses	1,632,840	1,712,757	2,106,710	2,306,227	2,201,860	2,211,576	2,270,847	2,333,068	2,389,529
16.	793	Property, Contractor's Equipment & Excess CA Earthquake Ins.	542,610	670,537	766,150	565,893	493,483	681,317	699,576	718,744	736,138
17.	794	Insurance, Injuries and Damages	460,200	802,968	832,188	818,669	819,789	825,602	847,727	870,954	892,031
18.	795	Employees' Pensions & Benefits	2,405,467	2,484,527	2,559,738	2,642,620	2,825,064	2,886,735	2,964,099	3,045,314	3,119,011
19.	796	Franchise Requirements	1,020,630	1,051,826	1,132,920	1,175,901	1,297,346	1,238,813	1,258,908	1,234,668	1,224,825
20.	797	Regulatory Commission Expenses	593,685	671,335	842,956	804,131	1,126,819	891,858	915,760	940,852	963,621
21.	797	P.U.C. Reimbursement Fee	1,188,747	1,329,671	1,427,050	801,061	707,503	701,994	713,381	699,645	694,067
22.	798	Outside Services Employed	324,293	386,902	396,219	349,845	304,995	395,257	405,850	416,970	427,061
23.	799	Miscellaneous General Expenses - Prof. Dues- Co & ATR Expense	(158,694)	(208,891)	(196,567)	(162,802)	(154,459)	(197,843)	(203,145)	(208,712)	(213,763)
24.	805	Maintenance of General Plant	158,982	184,232	236,310	245,768	252,285	238,374	244,763	251,469	257,555
25.	811-812	Miscellaneous Expenses	(1,091,561)	(3,471,988)	(4,104,155)	(4,794,318)	(2,976,209)	(3,594,700)	(3,691,038)	(3,792,172)	(3,883,943)
26.	901	Parent Company	7,682,350	7,383,276	7,550,308	8,396,163	7,728,517	8,681,330	8,913,990	9,158,233	9,379,862
27.		TOTAL ADMINISTRATIVE & GENERAL EXPENSES	14,759,550	12,997,152	13,549,828	13,149,158	14,626,992	14,960,311	15,340,718	15,669,033	\$15,985,994
28.		TOTAL O&M AND A&G EXPENSES	41,326,649	48,071,591	43,072,158	36,866,503	47,542,080	53,439,232	53,126,242	53,039,182	52,767,966
29.		TOTAL OPERATING EXPENSES BASED ON SIMPLE FIVE-YEAR AVERAGE	52,107,182	60,544,552	56,185,816	49,653,484	61,333,976	67,387,502	67,465,098	67,750,849	67,847,425

■ Chapter - Utility Plant

Presented in this chapter are utility plant balances for recorded years 2020 through 2024, for adjusted years 2025 and 2026, for estimated years ending December 31, 2027 and 2028.

6.1 Comparison of Company-Funded Capital Expenditures Authorized in Last GRC To Amounts Actually Spent

In response to Minimum Data Requirement item D. Rate Base, Suburban has provided information comparing Suburban's recorded company-funded capital expenditures as compared to the amounts authorized for each of the years 2024 and estimated 2025. In the Company's last GRC, the Commission authorized Suburban to spend a total of \$70,934,455 on capital expenditures in years 2023 through 2025. Suburban's recorded capital expenditures, including estimated 2025 is currently over-spent by 22%, or \$15,954,699 for years 2023 through estimated 2025. For the three years 2023, 2024 and estimated year 2025, Suburban's capital spend is projected to be \$15,954,699 higher than authorized. Year 2025 includes \$710,248 Engineering A&G Shared Services.

	Recorded Spent
2023	\$35,549,958
2024	\$34,196,072
2025 est.	\$17,143,124
Total	\$86,889,155

6.2 Utility Plant Capital Budget, Estimated Test Years Ending December 31, 2027 and 2028

Shown in Table 6-1 through Table 6-1C are the Company's proposed utility plant capital expenditure budgets for test years ending December 31, 2027 and 2028. The budget for new business capital additions is consistent with customer growth projections as presented in Chapter 4 of this report and projected at the same level as prior GRC's Test Years. The proposed capital additions shown in Table 6-2 are consistent with requirements to maintain the physical integrity of the water system to enable the Company to continue to provide a satisfactory level of water service.

Utility Plant Balances, Estimated Years Ending December 31, 2025 through 2028

Balances for years ending December 31, 2025 through 2028 are shown in Tables 6-2A through 6-7. Utility plant balances by account for end of year 2025 are based on recorded end of year 2024 balances, which were increased by budgeted capital additions for 2025 from Table 6-1 and reduced by estimated normal retirements. Balances for years ending December 31, 2026 through 2028 were computed in the same manner, assuming capital expenditures in the years 2026, 2027, and 2028 will be installed evenly throughout each of the years. Total utility plant for rate base was computed as the average of the beginning and end of test year plant balances as shown in

Table 6-7. The direct testimony of Jorge Lopez, the Company's V.P. of Engineering, discusses capital projects in detail.

Alternative Methodology

Suburban has provided calculations of utility plant in service based on alternative methodology described in the Interim Order (Table 6-8).

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
CAPITAL EXPENDITURES, DOLLARS

TABLE 6-1

Line No.	P.U.C. Account No.	Description	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
1.		C.W.I.P. Balance, Beginning of Year	10,984,040	13,975,106	23,615,004	27,623,308	9,118,266	12,110,494	3,832,415	13,413,032	796,762
2.		Average C.W.I.P for Rate Base	12,479,573	18,795,055	25,619,156	18,370,787	10,614,380	7,971,454	8,622,723	7,104,897	398,381
3.		2029 C.W.I.P. Balance, Beginning of Year	0								
		<u>CONSTRUCTION EXPENDITURES</u>									
		<u>Company Funded Construction Projects</u>									
4.		Plant 408 Site Electrical and Reservoirs 408-4 & 408-6	(121,057)								
5.		Plant 161 Pump Station - 800 Zone Reliability Project	139,772								
6.		Plant 408 Reservoir 5	573,577								
7.		Grayling Ave. & Maybrook at N/O Woodbrier Dr. (AC)		25,956							
8.		Elmrock and Cobblestone		7,566							
9.		Valencia Heights Tie-In on Los Cerillos	372,665								
10.		Nantes and Ivanell Pipeline	1,239,651								
11.		Plant 115 Easement	66,890								
12.		Plant 238 Pump Station Upgrades Diesel Generator and VFD	1,535,294	181,451							
13.		Plant 408 Pump Station & Generator	3,413,206	1,070,108							
14.		Plant 236 Electrical Upgrades	395,045								
15.		Plant 110 RCS	291,693	484,811							
16.		Plant 505 RCS	656,791								
17.		Plant 507 R-1 - Reservoir Rehabilitation	680,574	12,217							
18.		Solejar & Janison Valve Station Replacement	252,293								
19.		Syracuse Pipeline between Valley View and Starlight	346,608								
20.		Russell & Pounds	2,211,983								
21.		Slope Stability - Plant 162	271,320	598,569							
22.		Plant 409 W3 Redevelopment		568,116							
23.		Plant 121 R-2 Coating		288,538							
24.		Plant 132 Reservoir Center Column		115,188							
25.		Colima and Mar Vista Pipeline		899,651							
26.		Plant 236 Generator		10,463	482,273	40,183					
27.		Electrical Equipment Replacement at Plant 413		301,400	470,982	66,334					
28.		Plant 410 W-1 Treatment Plant Installation			406,104						
29.		Foxley & Shoemaker		1,126,555	146,731						
30.		Ben Hur & Light		1,306,424	60,294						
31.		Mulvane & Vanderwell		3,996,062	(26,118)						
32.		Lanining & Gunn		4,235,026	194,547						
33.		Moccasin and Maypop		2,162,154	380,746						
34.		Main Office Remote Storage		160,943	13,318						
35.		Plant 109 Generator			208,998	210,176					
36.		Plant 409 Arsenic Treatment			293,402	517,460					
37.		Plant 109 Reservoirs R2 Coating			232,837	127,771					
38.		Senadale & Humford			1,144,213						
39.		Janine & Pasada			3,593,423	881,634					
40.		Gemini & Backton Phase I			3,693,743	20,608					
41.		Hornell & Nashville			2,648,309						
42.		Gemini & Backton Phase II			3,412,868	382,591					
43.		Danbrook & Coachman			2,333,024	32,357					
44.		Willow Channel Crossing			376,031	(4,513)					
45.		WLM Blowoffs			188,224	40,622	468,552				
46.		La Pluma & Pastranan			178,221	6,569,165					
47.		Safari			45,681	2,770,277					
48.		Dittmar & Kibbee			39,335	3,044,660					

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
CAPITAL EXPENDITURES, DOLLARS (Continued)

TABLE 6-1A

Line No.	P.U.C. Account No.	Description	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
<u>Company Funded Construction Projects (Continued)</u>											
1.		Mar Vista & Las Pasadas			45,030	33,482	2,671,044				
2.		Lashburn & Groveside			120,995	5,368,021					
3.		Rushford & Mollyknoll			22,181						
4.	315	La Mirada Yard Test Well			1,058,851	224,215					
5.	315	Well Drilling on City of La Mirada Yard				12,985	3,154,059				
6.	315	Well Pumping Equipment on City of La Mirada Yard					167,282	90,594			5,343,413
7.	315	Well Re-development						314,726	632,900	657,225	676,218
8.	315	Plant 216 Test Well				47,267	(426)	793,818			
9.	315	Plant 216/231 Well Drilling									3,606,894
10.	315	Well Redevelopment at Plant 410						77,294			
11.	324	Plant 121 Electrical Upgrades							755,194		
12.	324	Plant 201 Gas Line				19,032	67,904				403,962
13.	332	Plant 201 PFAS/PFOA Treatment Plant	347,286	1,030,064	14,840	28,674	140,779	671,170	10,210,053	24,428,881	
14.	342	Tank 162-R1 Center Column and Rafter Recoating					5,048	258,509			
15.	342	Tank Recoating 409-R1						3,735	330,000		
16.	342	Tank Recoating 408-R3					12,303	433,470			
17.	342	Plant 165 R-1 Rehab									
18.	342	Plant 109 R-3 Recoating									1,234,505
19.	342	Plant 115 R-2 Recoating									203,936
20.	343	Pipeline Condition Assessment					8,965	176,182			
21.	343	Scribner Ave.			13,834	23,053	2,012,061				
22.	343	Scott & Lashburn				54,209	73,212	4,652		9,913,000	
23.	343	Orange & Sherway				13,413					3,173,000
24.	343	Willow & Alwood				10,196					2,581,000
25.	343	Painter & Dittmar				215,937	4,036,704				
26.	343	Sunkist & Meeker									
27.	343	Goldendale & Tanfield				11,893	23,079			3,675,000	
28.	343	Falstone and Gale				38,673	2,864,948	655,478			
29.	343	Valinda btw Maplegrove and Doublegrove					34,085	25,925			2,052,000
30.	343	Hurley Pipeline			11,955	623	13,576	6,174			1,519,000
31.	343	Neil Pipeline				7,979	595,620				
32.	343	Valve Replacements Backlog						1,240,524			
33.	343	Blow off replacements						194,687	592,105	614,861	632,631
34.	343	Valley View Relocations			4,438						
35.	343	Ashgrove & Watkins			7,412						
36.	343	Lark Ellen & Harvest Moon			37,616	1,195,354	30,053			7,553,000	
37.	343	Lark Ellen & Maplegrove									
38.	343	Glenhope & Ruthcrest			20,777		25,571	7,441		4,729,000	
39.	343	Wing & Lidford					23,584	5,000		4,853,000	
40.	343	Manzanares & Pastrana					58,123	6,680			
41.	343	Orange & Delhaven			29,313						
42.	343	Orsa and Mart Pipeline			18,209						
43.	343	Cheshire Street Pipeline			9,263						
44.	343	Whittier Blvd Relocation						838,224			
45.	343	Bartolo Transmission Main - Coupling Installation								327,445	
46.	343	1st Ave & Lashburn									5,401,000
47.	343	Golden Lantern & Groveland									6,168,000
48.	343										
49.	343	Stage Rd & Near Tree									7,248,000
50.	343	Avington									779,000
51.	343	Sunkist & Meeker									1,062,000

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
CAPITAL EXPENDITURES, DOLLARS (Continued)

TABLE 6-1B

Line No.	P.U.C. Account No.	Description	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
<u>Company Funded Construction Projects (Continued)</u>											
1.	345	Larimore & Cadwell - Services Replacement			1,760			(1,761)			
2.	345	Beckner & Orange - Services Replacement			4,698			(4,698)			
3.	345	Jacqueline and Kimberly Service Replacement			4,647			(4,647)			
4.	371	Plant 167 Road								819,911	
5.	376	SCADA Upgrades		117,994	30,099	11,397		392,411	589,518		
6.	376	AMI Infrastructure (System Implementation)						104,000			1,666,048
7.	371	Safety Harness									593,703
8.		Sativa Water System Compliance Upgrades									
9.	302	Sativa Land Purchase						1,000,000			
10.	324	Plant 802 Pump Station (Sativa)									3,140,168
11.	332	Manganese Treatment Plant				2,137	17,843	50,000	3,927,656		
12.	332	Plant 804 PFAS						55,000			2,924,239
13.	342	Bolted Reservoir (300,000 gallons) (site no. 4)					325,833				604,012
14.	343	Paulsen Pipeline				405,846					
15.	343	Sativa Pipeline Phase 1				82,775	3,749,490	1,522,898			
16.	343	Sativa Pipeline Phase 2					21,725				3,368,048
17.	371	Sativa Plant 802: Site Improvements				35,677		37,496			
18.											
19.		ANNUAL PROJECTS									
20.	324	Pump Replacements at Various Locations	365,334	199,604	137,283	498,371	282,017	466,487	360,700	371,100	381,900
21.	332	QA Treatment Improvements	25,594	24,522	188,371	181,640	147,021	29,000	130,000	133,800	137,700
22.	343	Control Valve Refurbishment Program	198,442	166,258	208,396	75,977	12,046	52,380	162,800	167,500	172,300
23.	343	Air Release Valve Replacements	61,094	74,572	29,702	132,301	81,729	66,908	99,200	102,100	105,000
24.	343	Blow-off Assembly Replacements	598,388	945,280	154,713	88,728	174,391	94,000	186,200	191,600	197,100
25.	343	Governmental Projects	114,730	79,138	126,452	262,353	135,070	139,529	176,300	181,400	186,600
26.	343	Misc. Pipeline Replacements	698,531	783,441	1,384,226	1,342,026	1,387,356	1,302,154	1,323,300	1,361,500	1,400,900
27.	343	Valve Replacements	1,107,792	844,504	1,320,051	596,982	1,336,001	512,906	1,223,700	1,259,100	1,295,500
28.	343	Vault Replacements	71,058	23,245	48,836	100,147	39,207	79,730	66,100	68,000	70,000
29.	345	Services	2,663,822	2,667,538	2,809,124	2,762,330	3,382,594	1,661,690	3,675,600	3,899,600	4,123,600
30.	346	Meters Replacements	1,843,718	2,858,507	3,027,125	2,890,383	2,247,369	301,617	3,259,371	3,390,263	3,482,967
31.	347	Meters Installations	210,784	358,683	358,343	320,482	227,555	62,473	740,312	768,677	785,772
32.	348	Fire Hydrant Replacements	818,878	638,424	846,356	650,143	1,019,455	612,558	930,200	957,100	984,700
33.	371	Plant Improvements (Various Locations)	840,376	414,838	464,305	333,550	303,782	287,618	531,700	547,100	562,900
34.	371	Plant Paving Projects	26,218	513	157,743		75,734	129,084	120,300	130,500	134,300
35.	371	Security Upgrades	27,709	166,133	97,377	363,584	176,475	38,768	194,300	199,900	205,600
36.	376	Communication Equipment/SCADA	159,271	125,317	52,840	75,977	156,468	35,682	117,600	121,000	124,500
37.	381	GIS and Model System Upgrades	198,724	401,035	439,080	294,408	386,210	327,000	353,834	342,044	312,147
38.		Total Annual Projects	10,030,464	10,771,553	11,850,323	10,969,382	11,570,480	6,199,585	13,651,516	14,192,285	14,663,486
39.		Total Company Expenditures Construction Projects	22,704,055	29,470,808	33,823,427	33,511,545	32,175,232	15,487,092	30,358,942	71,763,608	69,044,263
40.		New Business Construction Projects									
41.	343	New Business - Transmission and Distribution Mains						853,436	855,313	100,000	100,000
42.	345	New Business - Services						1,387,554	288,202	30,000	30,000
43.	348	New Business - Hydrants									
44.		Total Expenditures Construction Projects, including New Business	22,704,055	29,470,808	33,823,427	33,511,545	32,175,232	17,728,083	31,502,457	71,893,608	69,174,263

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
CAPITAL EXPENDITURES, DOLLARS (Continued)

TABLE 6-1C

Line No.	P.U.C. Account No.	Description	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
<u>Company Funded Construction Projects (Continued)</u>											
<u>DIRECT PURCHASES</u>											
1.	303	Water Rights	1,677,500	15,400	1,936,550	1,144,825	694,000				
2.	346-2	Meters Box & Lids	25,990	36,541	53,967	58,405	67,243	32,379	59,800	61,500	63,300
3.	372-0	Office Furniture	(3,009)	0	36,088	6,664	5,655	17,000	7,200	7,400	7,700
4.	372-1	Office Equipment	41,290	767	169,110	52,893	92,278	32,000	79,500	81,800	84,100
5.	372-2	Computer Hardware	78,881	92,675	70,177	136,574	132,444	53,427	82,854	75,586	100,137
6.	372-3	Computer Software	4,031	2,558	18,581	0	26,250	3,178	11,500	11,800	12,200
7.	373-1	Vehicle Replacement	465,265	406,332	11,511	598,360	935,860	708,800	652,000	2,877,000	1,647,000
8.	378	Tools, Shop and Garage Equipment	76,294	41,026	164,623	40,692	67,110	99,000	91,500	94,200	96,900
9.		Total Direct Purchases	2,366,242	595,299	2,460,607	2,038,413	2,020,840	945,784	984,354	3,209,286	2,011,337
10.	343	Engineering A&G Shared Services						710,248	730,708	753,932	777,195
11.		Total Company Funded Expenditures	25,070,297	30,066,107	36,284,035	35,549,958	34,196,072	17,143,124	32,074,004	75,726,826	71,832,795
12.		<u>C.W.I.P. Beginning of Year</u>									
13.	315	Well Pumping Equipment on City of La Mirada Yard						257,876		257,876	257,876
14.	332	Plant 201 PFAS/PFOA Treatment Plant						2,232,813		12,442,866	
15.	343	Scott & Lashburn						132,073			
16.	343	Orange & Sherway						13,413		13,413	
17.	343	Willow & Alwood						10,196		10,196	
18.	343	Goldendale & Tanfield						34,972			
19.	343	Valinda btw Maplegrove and Doublegrove						60,010		60,010	
20.	343	Hurley Pipeline						32,328		32,328	32,328
21.	343	Ashgrove & Watkins						7,412		7,412	
22.	343	Glenhope & Ruthcrest						53,789		53,789	
23.	343	Wing & Lidford						28,584		28,584	
24.	376	SCADA Upgrades						392,411			
25.	376	AMI Infrastructure (System Implementation)						104,000		104,000	104,000
26.	332	Manganese Treatment Plant						69,980			
27.	332	Plant 804 PFAS						55,000		55,000	55,000
28.	342	Bolted Reservoir (300,000 gallons) (site no. 4)						325,833		325,833	325,833
29.	343	Sativa Pipeline Phase 2						21,725		21,725	21,725
								3,832,415	13,413,032	796,762	

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
UTILITY PLANT CAPITAL ADDITIONS, ESTIMATED YEARS 2025 - 2028, DOLLARS

TABLE 6-2A

Line Number	Description	P.U.C. Account #	Tax Life	Estimated		Test Year	
				2025	2026	2027	2028
<u>COMPANY FUNDED ADDITIONS</u>							
1.	Engineering A&G Shared Services	343	25 Years	710,248	730,708	753,932	777,195
2.	Well Pumping Equipment on City of La Mirada Yard	315	25 Years				5,601,289
3.	Well Re-development	315	25 Years	314,726	632,900	657,225	676,218
4.	Plant 216 Test Well	315	25 Years	840,659			
5.	Plant 216/231 Well Drilling	315	25 Years				3,606,894
6.	Well Revedevelopment at Plant 410	315	25 Years	77,294			
7.	Plant 121 Electrical Upgrades	324	25 Years		755,194		
8.	Plant 201 Gas Line	324	25 Years				490,898
9.	Plant 201 PFAS/PFOA Treatment Plant	332	25 Years			36,871,747	0
10.	Tank 162-R1 Center Column and Rafter Recoating	342	25 Years	263,557			
11.	Tank Recoating 409-R1	342	25 Years	333,735			
12.	Tank Recoating 408-R3	342	25 Years	445,773			
13.	Plant 165 R-1 Rehab	342	25 Years				0
14.	Plant 109 R-3 Recoating	342	25 Years				1,234,505
15.	Plant 115 R-2 Recoating	342	25 Years				203,936
16.	Pipeline Condition Assessment	343	25 Years	185,147			
17.	Scott & Lashburn	343	25 Years			10,045,073	
18.	Orange & Sherway	343	25 Years				3,186,413
19.	Willow & Alwood	343	25 Years				2,591,196
20.	Goldendale & Tanfield	343	25 Years			3,709,972	
21.	Falstone and Gale	343	25 Years	3,559,099			
22.	Valinda btw Maplegrove and Doublegrove	343	25 Years				2,112,010
23.	Hurley Pipeline	343	25 Years				1,551,328
24.	Ashgrove & Watkins	343	25 Years			7,560,412	
25.	Valve Replacements Backlog	343	25 Years	1,240,524			
26.	Blow off replacements	343	25 Years	194,687	592,105	614,861	632,631
27.	Lark Ellen & Maplegrove	343	25 Years	6,261			
28.	Glenhope & Ruthcrest	343	25 Years			4,782,789	
29.	Wing & Lidford	343	25 Years			4,881,584	
30.	Manzanares & Pastrana	343	25 Years	64,803			
31.	1st Ave & Lashburn	343	25 Years	0	0	0	5,401,000
32.	Golden Lantern & Groveland	343	25 Years	0	0	0	6,168,000
33.		343	25 Years				0
34.	Stage Rd & Near Tree	343	25 Years	0	0	0	7,248,000
35.	Avington	343	25 Years	0	0	0	779,000
36.	Sunkist & Meeker	343	25 Years	0	0	0	1,062,000
37.	Whittier Blvd Relocation	343	25 Years	838,224			
38.	Bartolo Transmission Main - Coupling Installation	343	25 Years			327,445	
39.	Plant 167 Road	371	25 Years			819,911	
40.	SCADA Upgrades	376	25 Years		1,141,419		
41.	AMI Infrastructure (System Implementation)	376	25 Years				1,770,048
42.	Safety Harness	371	25 Years				593,703
43.	Sativa Land Purchase	302	25 Years	1,000,000	0	0	0
44.	Plant 802 Pump Station (Sativa)	324	25 Years	0	0	0	3,140,168
45.	Manganese Treatment Plant	332	25 Years		3,997,636		
46.	Plant 804 PFAS	332	25 Years				2,979,239
47.	Bolted Reservoir (300,000 gallons) (site no. 4)	342	25 Years				929,845
48.	Sativa Pipeline Phase 1	343	25 Years	1,522,898			
49.	Sativa Pipeline Phase 2	343	25 Years				3,389,773
50.	Sativa Plant 802: Site Improvements	371	25 Years	73,173			

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
UTILITY PLANT CAPITAL ADDITIONS, ESTIMATED YEARS 2022 - 2025, DOLLARS (Continued)

TABLE 6-2B

Line Number	Description	P.U.C. Account #		Estimated		Test Year	
				2025	2026	2027	2028
COMPANY FUNDED ADDITIONS (Continued)							
ANNUAL PROJECTS							
1.	Pump Replacements at Various Locations	324	25 Years	466,487	360,700	371,100	381,900
2.	QA Treatment Improvements	332	25 Years	29,000	130,000	133,800	137,700
3.	Control Valve Refurbishment Program	343	25 Years	52,380	162,800	167,500	172,300
4.	Air Release Valve Replacements	343	25 Years	66,908	99,200	102,100	105,000
5.	Blow-off Replacements	343	25 Years	94,000	186,200	191,600	197,100
6.	Governmental Projects	343	25 Years	139,529	176,300	181,400	186,600
7.	Misc. Pipeline Replacements	343	25 Years	1,302,154	1,323,300	1,361,500	1,400,900
8.	Valve Replacements	343	25 Years	512,906	1,223,700	1,259,100	1,295,500
9.	Vault Replacements	343	25 Years	79,730	66,100	68,000	70,000
10.	Services	345	25 Years	1,661,690	3,675,600	3,899,600	4,123,600
11.	Meters Replacements	346	5 Years	301,617	3,259,371	3,390,263	3,482,967
12.	Meters Installations	347	5 Years	62,473	740,312	768,677	785,772
13.	Fire Hydrants Replacement	348	25 Years	612,558	930,200	957,100	984,700
14.	Plant Improvements (Various Locations)	371	25 Years	287,618	531,700	547,100	562,900
15.	Plant Paving Project	371	25 Years	129,084	120,300	130,500	134,300
16.	Security Upgrades	371	25 Years	38,768	194,300	199,900	205,600
17.	Communication Equipment/SCADA	376	5 Years	35,682	117,600	121,000	124,500
18.	GIS and Model System Upgrades	381	5 Years	327,000	353,834	342,044	312,147
19.	TOTAL COMPANY FUNDED ADDITIONS			17,870,393	21,501,478	85,217,235	70,788,775
NEW BUSINESS ADDITIONS							
20.	Transmission and Distribution Mains	343	25 Years	853,436	855,313	100,000	100,000
21.	Services	345	25 Years	1,387,554	288,202	30,000	30,000
22.	Hydrants	348	25 Years	0	0		
23.	TOTAL NEW BUSINESS ADDITIONS			2,240,990	1,143,515	130,000	130,000
DIRECT PURCHASES							
24.	Water Rights	303	N/A	0	0	0	0
25.	Meters Box & Lids	346-2	5 Years	32,379	59,800	61,500	63,300
26.	Office Furniture	372-0	7 Years	17,000	7,200	7,400	7,700
27.	Office Equipment	372-1	5 Years	32,000	79,500	81,800	84,100
28.	Computer Hardware	372-2	5 Years	53,427	82,854	75,586	100,137
29.	Computer Software	372-3	5 Years	3,178	11,500	11,800	12,200
30.	Vehicle Replacement	373-1	5 Years	708,800	652,000	2,877,000	1,647,000
31.	Tools, Shop and Garage Equipment	378	5 Years	99,000	91,500	94,200	96,900
32.	TOTAL DIRECT PURCHASES			945,784	984,354	3,209,286	2,011,337
33.	TOTAL CAPITAL ADDITIONS			21,057,167	23,629,347	88,556,521	72,930,112
SUMMARY BY TAX LIFE							
34.	N/A Tax Life		N/A	0	0	0	0
35.	Five Year Tax Life		5 Years	1,655,556	5,448,271	7,823,871	6,709,023
36.	Seven Year Tax Life		7 Years	17,000	7,200	7,400	7,700
37.	Twenty Five Year Tax Life		25 Years	19,384,611	18,173,876	80,725,251	66,213,389
38.	TOTAL CAPITAL ADDITIONS			21,057,167	23,629,347	88,556,521	72,930,112
39.	Cost of Removal		N/A	3,395,346	7,522,956	7,861,639	8,197,586
40.	TOTAL CAPITAL ADDITIONS AND COST OF REMOVAL			24,452,513	31,152,303	96,418,160	81,127,698
SOURCE OF FUNDS FOR NEW BUSINESS ADDITIONS							
41.	Advances for Construction			80,000	80,000	80,000	80,000
42.	Contributions in Aid of Construction			2,160,990	1,063,515	50,000	50,000
43.	TOTAL NEW BUSINESS FUNDS			2,240,990	1,143,515	130,000	130,000
44.	TOTAL COMPANY FUNDED CAPITAL ADDITIONS			18,816,177	22,485,832	88,426,521	72,800,112

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
UTILITY PLANT IN SERVICE - BEGINNING OF YEAR, DOLLARS

TABLE 6-3

Line Number	P.U.C. Account Number	Description	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
UTILITY PLANT IN SERVICE - BEGINNING OF YEAR											
I. INTANGIBLE PLANT											
1.	301	Organization	24,996	24,996	24,996	24,996	24,996	24,996	24,996	24,996	24,996
2.	302	Franchises and Consents	8,040	8,040	8,040	8,040	8,040	8,040	1,008,040	1,008,040	1,008,040
3.	303	Other Intangible Plant	3,268,427	4,945,927	4,961,327	11,360,600	12,505,425	13,214,425	13,214,425	13,214,425	13,214,425
II. LANDED CAPITAL											
4.	306	Land and Land Rights	1,073,663	1,140,553	1,140,553	1,664,987	1,664,987	1,664,987	1,664,987	1,664,987	1,664,987
III. SOURCE OF SUPPLY PLANT											
5.	315	Wells	10,813,578	10,840,528	10,965,899	11,991,035	13,274,101	16,441,144	17,624,516	18,232,100	18,863,035
6.	316	Supply Mains	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950
7.	317	Other Source of Supply Plant	253,491	253,491	253,491	253,491	253,491	253,491	253,491	253,491	253,491
IV. PUMPING PLANT											
8.	321	Structures and Improvements	10,226,870	10,623,666	11,777,273	11,858,934	12,213,689	12,353,999	12,353,999	12,353,999	12,353,999
9.	324	Pumping Equipment	20,946,585	21,446,737	24,010,343	24,310,501	26,320,083	27,745,538	28,193,366	29,264,624	29,620,880
10.	325	Other Pumping Plant	254,376	254,376	254,376	254,376	254,376	254,376	254,376	254,376	254,376
V. WATER TREATMENT PLANT											
11.	331	Structures and Improvements	1,187,462	1,668,669	2,181,616	2,194,058	2,194,058	2,226,115	2,226,115	2,226,115	2,226,115
12.	332	Water Treatment Equipment	4,789,057	5,090,406	5,313,984	5,484,886	5,874,325	6,172,988	6,200,828	10,163,359	45,688,683
VI. TRANSMISSION AND DISTRIBUTION PLANT											
13.	341	Structures and Improvements	425,298	470,468	470,468	470,468	470,468	470,468	470,468	470,468	470,468
14.	342	Reservoirs and Tanks	41,791,412	45,041,596	45,651,253	45,900,981	46,228,971	49,288,104	50,289,446	50,289,446	50,289,446
15.	343	Transmission and Distribution Mains	126,210,934	133,108,998	138,245,667	158,618,862	190,201,208	204,767,088	215,733,106	220,932,202	255,595,180
16.	345	Services	42,016,730	45,909,478	49,312,794	56,704,414	67,880,594	75,894,234	78,821,509	82,626,759	86,399,175
17.	346	Meters	10,218,835	11,796,805	14,300,778	16,935,638	19,118,223	21,122,739	21,412,291	24,541,287	27,795,939
18.	346-1	Recycled Meters	37,848	37,822	37,822	37,822	45,074	47,686	47,686	47,686	47,686
19.	346-2	Meters Box & Lids	0	25,990	62,531	116,498	174,903	242,146	273,230	330,638	389,678
20.	347	Meter Installations	1,132,047	1,346,539	1,716,051	2,077,495	2,448,447	2,704,245	2,764,219	3,474,919	4,212,849
21.	348	Hydrants	12,865,655	14,218,018	15,041,544	17,651,909	21,109,421	22,842,503	23,430,559	24,323,551	25,242,367
VII. GENERAL PLANT											
22.	371	Structures and Improvements	20,297,555	21,006,659	22,564,029	23,477,147	24,054,339	24,659,020	25,166,517	25,978,965	27,608,480
23.	371-1	Leased Property Improvements	978,441	1,017,647	703,099	1,050,388	1,091,806	1,099,781	1,099,781	1,099,781	1,099,781
24.	372-0	Office Furniture	461,336	461,336	409,740	429,271	442,502	496,780	513,100	520,012	527,116
25.	372-1	Office Equipment	468,395	480,727	469,766	477,972	477,972	427,668	458,388	534,708	613,236
26.	372-2	Computer Equipment	1,034,796	1,113,218	1,103,262	1,150,122	1,281,122	1,382,294	1,433,584	1,513,124	1,585,687
27.	372-3	Software	198,381	202,870	204,430	207,835	209,725	235,975	239,026	250,066	261,394
28.	373	Transportation Equipment	234,319	234,319	244,367	285,397	291,223	273,186	273,186	273,186	273,186
29.	373-1	Vehicles	3,327,779	3,681,921	3,939,055	3,852,693	4,420,925	5,095,729	5,776,177	6,402,097	9,164,017
30.	374	Stores Equipment	0	0	0	0	0	0	0	0	0
31.	375	Laboratory Equipment	0	0	0	0	0	0	0	0	0
32.	376	Communication Equipment	4,860,413	5,243,353	5,786,819	5,885,492	6,384,608	6,659,568	6,693,823	7,902,481	8,018,641
33.	377	Power Operated Equipment	75,008	75,008	75,008	75,008	75,008	75,008	75,008	75,008	75,008
34.	378	Tools, Shop and Garage Equipment	1,223,343	1,305,592	1,340,484	1,505,291	1,535,117	1,594,612	1,689,652	1,777,492	1,867,924
35.	379	Other General Plant	0	0	0	0	0	0	0	0	0
36.	380	Automobiles	0	0	0	0	0	0	0	0	0
37.	381	GIS Mapping Facilities	2,192,529	2,391,253	2,668,783	2,992,959	3,336,587	3,771,716	4,085,636	4,425,316	4,753,679
38.	TOTAL UTILITY PLANT IN SERVICE, BEGINNING OF YEAR		330,031,548	352,600,958	372,373,598	416,443,514	472,999,763	510,644,600	530,899,481	553,583,655	638,597,915
39.	DEPRECIABLE UTILITY PLANT IN SERVICE, BEG. OF YEAR		325,656,422	346,481,442	366,238,682	403,384,891	458,796,316	495,732,152	514,987,033	537,671,207	622,685,467

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
UTILITY PLANT ADDITIONS, DOLLARS

TABLE 6-4

Line Number	P.U.C. Acct. #	Description	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
UTILITY PLANT ADDITIONS & ADJUSTMENTS DURING YEAR											
I. INTANGIBLE PLANT											
1.	301	Organization						0	0	0	0
2.	302	Franchises and Consents						1,000,000	0	0	0
3.	303	Other Intangible Plant	1,677,500	15,400	6,399,273	1,144,825	709,000	0	0	0	0
II. LANDED CAPITAL											
4.	306	Land and Land Rights	66,890		524,434			0	0	0	0
III. SOURCE OF SUPPLY PLANT											
5.	311	Structures and Improvements						0	0	0	0
6.	312	Collecting and Impounding Reservoirs						0	0	0	0
7.	313	Lake, River and Other Intakes						0	0	0	0
8.	314	Springs and Tunnels						0	0	0	0
9.	315	Wells	26,950	436,275	1,025,135	1,283,067	3,167,043	1,232,679	632,900	657,225	9,884,401
10.	316	Supply Mains						0	0	0	0
11.	317	Other Source of Supply Plant						0	0	0	0
IV. PUMPING PLANT											
12.	321	Structures and Improvements	396,796	1,172,003	92,575	354,756	140,310	0	0	0	0
13.	322	Boiler Plant Equipment						0	0	0	0
14.	323	Other Power Production Equipment						0	0	0	0
15.	324	Pumping Equipment	533,715	2,890,270	328,605	2,034,202	1,528,015	466,487	1,115,894	371,100	4,012,966
16.	325	Other Pumping Plant						0	0	0	0
V. WATER TREATMENT PLANT											
17.	331	Structures and Improvements	481,207	512,947	12,442		32,057	0	0	0	0
18.	332	Water Treatment Equipment	301,849	223,578	217,639	431,323	299,833	29,000	4,127,636	37,005,547	3,116,939
VI. TRANSMISSION AND DISTRIBUTION PLANT											
19.	341	Structures and Improvements	45,171					0	0	0	0
20.	342	Reservoirs and Tanks	3,272,789	609,657	249,728	360,608	3,170,473	1,043,065	0	0	2,368,286
21.	343	Transmission and Distribution Mains	6,961,929	5,164,218	20,578,030	31,899,633	14,947,320	11,422,935	5,415,725	36,107,269	38,425,946
22.	344	Fire Mains						0	0	0	0
23.	345	Services	4,064,691	3,547,801	7,599,172	11,455,934	8,264,980	3,049,244	3,963,802	3,929,600	4,153,600
24.	346	Meters	1,837,659	2,847,679	3,024,024	2,815,962	2,214,063	301,617	3,259,371	3,390,263	3,482,967
25.	346-1	Recycled Meters	2,352		0	23,951	5,064	0	0	0	0
26.	346-2	Meters Box & Lids	25,990	36,541	53,967	58,405	67,243	32,379	59,800	61,500	63,300
27.	347	Meter Installations	214,492	369,512	361,444	370,952	255,798	62,473	740,312	768,677	785,772
28.	348	Hydrants	1,385,328	857,166	2,670,032	3,535,736	1,813,571	612,558	930,200	957,100	984,700
29.	349	Other Transmission and Distribution Plant									
VII. GENERAL PLANT											
30.	371	Structures and Improvements	722,195	1,629,382	930,313	579,037	604,681	528,644	846,300	1,697,411	1,496,503
31.	371-1	Leased Property Improvements	39,206	42,579	347,289	41,419	7,975	0	0	0	0
32.	372-0	Office Furniture			25,645	14,964	54,278	17,000	7,200	7,400	7,700
33.	372-1	Office Equipment	12,331	7,353	8,206	0	43,765	32,000	79,500	81,800	84,100
34.	372-2	Computer Equipment	78,422	93,673	85,353	134,684	132,444	53,427	82,854	75,586	100,137
35.	372-3	Software	4,490	1,560	3,405	1,890	26,250	3,178	11,500	11,800	12,200
36.	373	Transportation Equipment	0	10,048	41,030	5,825	0	0	0	0	0
37.	373-1	Vehicles	361,556	427,491	19,852	568,232	890,245	708,800	652,000	2,877,000	1,647,000
38.	374	Stores Equipment						0	0	0	0
39.	375	Laboratory Equipment						0	0	0	0
40.	376	Communication Equipment	389,652	548,766	100,318	516,380	276,777	35,682	1,259,019	121,000	1,894,548
41.	377	Power Operated Equipment						0	0	0	0
42.	378	Tools, Shop and Garage Equipment	82,249	40,058	178,182	35,539	67,110	99,000	91,500	94,200	96,900
43.	379	Other General Plant						0	0	0	0
44.	380	Automobiles						0	0	0	0
45.	381	GIS Mapping Facilities	198,724	318,546	324,176	491,800	435,129	327,000	353,834	342,044	312,147
46.		TOTAL UTILITY PLANT ADDITIONS DURING YEAR	23,184,133	21,802,501	45,200,271	58,159,123	39,153,422	21,057,167	23,629,347	88,556,521	72,930,112

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
UTILITY PLANT RETIREMENTS, DOLLARS

TABLE 6-5

Line Number	P.U.C. Acct.#	Description	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
UTILITY PLANT RETIREMENTS DURING YEAR											
I. INTANGIBLE PLANT											
1.	301	Organization									
2.	302	Franchises and Consents									
3.	303	Other Intangible Plant									
II. LANDED CAPITAL											
4.	306	Land and Land Rights									
III. SOURCE OF SUPPLY PLANT											
5.	311	Structures and Improvements						0	0	0	
6.	312	Collecting and Impounding Reservoirs						0	0	0	
7.	313	Lake, River and Other Intakes						0	0	0	
8.	314	Springs and Tunnels						0	0	0	
9.	315	Wells		310,903				49,307	25,316	26,289	
10.	316	Supply Mains						0	0	0	
11.	317	Other Source of Supply Plant						0	0	0	
IV. PUMPING PLANT											
12.	321	Structures and Improvements		18,396	10,914			0	0	0	
13.	322	Boiler Plant Equipment						0	0	0	
14.	323	Other Power Production Equipment						0	0	0	
15.	324	Pumping Equipment	33,563	326,664	28,446	24,620	102,560	18,659	44,636	14,844	
16.	325	Other Pumping Plant						0	0	0	
V. WATER TREATMENT PLANT											
17.	331	Structures and Improvements						0	0	0	
18.	332	Water Treatment Equipment	500		46,737	41,884	1,171	1,160	165,105	1,480,222	
VI. TRANSMISSION AND DISTRIBUTION PLANT											
19.	341	Structures and Improvements						0	0	0	
20.	342	Reservoirs and Tanks	22,605		0	32,619	111,339	41,723	0	0	
21.	343	Transmission and Distribution Mains	63,865	27,549	204,836	317,286	381,440	456,917	216,629	1,444,291	
22.	344	Fire Mains						0	0	0	
23.	345	Services	171,943	144,485	207,552	279,754	251,339	121,970	158,552	157,184	
24.	346	Meters	259,688	343,706	389,164	633,377	209,547	12,065	130,375	135,611	
25.	346-1	Recycled Meters	2,377	0	0	16,699	2,452	0	0	0	
26.	346-2	Meters Box & Lids						1,295	2,392	2,460	
27.	347	Meter Installations						2,499	29,612	30,747	
28.	348	Hydrants	32,965	33,640	59,667	78,224	80,489	24,502	37,208	38,284	
29.	349	Other Transmission and Distribution Plant						0	0	0	
VII. GENERAL PLANT											
30.	371	Structures and Improvements	13,091	72,012	17,195	1,845		21,146	33,852	67,896	
31.	371-1	Leased Property Improvements		357,128				0	0	0	
32.	372-0	Office Furniture	0	51,595	6,114	1,733	0	680	288	296	
33.	372-1	Office Equipment	0	18,314	0	0	94,069	1,280	3,180	3,272	
34.	372-2	Computer Equipment	0	103,629	38,493	3,683	31,272	2,137	3,314	3,023	
35.	372-3	Software	0	0	0	0	0	127	460	472	
36.	373	Transportation Equipment	0	0	0	0	18,037	0	0	0	
37.	373-1	Vehicles	7,414	170,356	106,214	0	215,440	28,352	26,080	115,080	
38.	374	Stores Equipment						0	0	0	
39.	375	Laboratory Equipment						0	0	0	
40.	376	Communication Equipment	6,712	5,299	1,646	17,263	1,817	1,427	50,361	4,840	
41.	377	Power Operated Equipment	0	0	0	0	0	0	0	0	
42.	378	Tools, Shop and Garage Equipment	0	5,167	13,375	5,712	7,615	3,960	3,660	3,768	
43.	379	Other General Plant						0	0	0	
44.	380	Automobiles						0	0	0	
45.	381	GIS Mapping Facilities		41,017	0	148,173	0	13,080	14,153	13,682	
46.	TOTAL UTILITY PLANT RETIREMENTS DURING YEAR		614,723	2,029,861	1,130,355	1,602,873	1,508,585	802,286	945,173	3,542,261	
47.	Retirements as Percent of Additions		3.0%	9.0%	3.0%	3.0%	4.0%	4.0%	4.0%	4.0%	

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
UTILITY PLANT IN SERVICE - END OF YEAR, DOLLARS

TABLE 6-6

Line Number	P.U.C. Account Number	Description	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
UTILITY PLANT IN SERVICE - END OF YEAR											
I. INTANGIBLE PLANT											
1.	301	Organization	24,996	24,996	24,996	24,996	24,996	24,996	24,996	24,996	24,996
2.	302	Franchises and Consents	8,040	8,040	8,040	8,040	8,040	1,008,040	1,008,040	1,008,040	1,008,040
3.	303	Other Intangible Plant	4,945,927	4,961,327	11,360,600	12,505,425	13,214,425	13,214,425	13,214,425	13,214,425	13,214,425
II. LANDED CAPITAL											
4.	306	Land and Land Rights	1,140,553	1,140,553	1,664,987	1,664,987	1,664,987	1,664,987	1,664,987	1,664,987	1,664,987
III. SOURCE OF SUPPLY PLANT											
5.	315	Wells	10,840,528	10,965,899	11,991,035	13,274,101	16,441,144	17,624,516	18,232,100	18,863,035	28,352,061
6.	316	Supply Mains	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950
7.	317	Other Source of Supply Plant	253,491	253,491	253,491	253,491	253,491	253,491	253,491	253,491	253,491
IV. PUMPING PLANT											
8.	321	Structures and Improvements	10,623,666	11,777,273	11,858,934	12,213,689	12,353,999	12,353,999	12,353,999	12,353,999	12,353,999
9.	324	Pumping Equipment	21,446,737	24,010,343	24,310,501	26,320,083	27,745,538	28,193,366	29,264,624	29,620,880	33,473,327
10.	325	Other Pumping Plant	254,376	254,376	254,376	254,376	254,376	254,376	254,376	254,376	254,376
V. WATER TREATMENT PLANT											
11.	331	Structures and Improvements	1,668,669	2,181,616	2,194,058	2,194,058	2,226,115	2,226,115	2,226,115	2,226,115	2,226,115
12.	332	Water Treatment Equipment	5,090,406	5,313,984	5,484,886	5,874,325	6,172,988	6,200,828	10,163,359	45,688,683	48,680,944
VI. TRANSMISSION AND DISTRIBUTION PLANT											
13.	341	Structures and Improvements	470,468	470,468	470,468	470,468	470,468	470,468	470,468	470,468	470,468
14.	342	Reservoirs and Tanks	45,041,596	45,651,253	45,900,981	46,228,971	49,288,104	50,289,446	50,289,446	50,289,446	52,563,001
15.	343	Transmission and Distribution Mains	133,108,998	138,245,667	158,618,862	190,201,208	204,767,088	215,733,106	220,932,202	255,595,180	292,484,088
16.	345	Services	45,909,478	49,312,794	56,704,414	67,880,594	75,894,234	78,821,509	82,626,759	86,399,175	90,386,631
17.	346	Meters	11,796,805	14,300,778	16,935,638	19,118,223	21,122,739	21,412,291	24,541,287	27,795,939	31,139,587
18.	346-1	Recycled Meters	37,822	37,822	37,822	45,074	47,686	47,686	47,686	47,686	47,686
19.	346-2	Meters Box & Lids	25,990	62,531	116,498	174,903	242,146	273,230	330,638	389,678	450,446
20.	347	Meter Installations	1,346,539	1,716,051	2,077,495	2,448,447	2,704,245	2,764,219	3,474,919	4,212,849	4,967,189
21.	348	Hydrants	14,218,018	15,041,544	17,651,909	21,109,421	22,842,503	23,430,559	24,323,551	25,242,367	26,187,679
VII. GENERAL PLANT											
22.	371	Structures and Improvements	21,006,659	22,564,029	23,477,147	24,054,339	24,659,020	25,166,517	25,978,965	27,608,480	29,045,123
23.	371-1	Leased Property Improvements	1,017,647	703,099	1,050,388	1,091,806	1,099,781	1,099,781	1,099,781	1,099,781	1,099,781
24.	372-0	Office Furniture	461,336	409,740	429,271	442,502	496,780	513,100	520,012	527,116	534,508
25.	372-1	Office Equipment	480,727	469,766	477,972	477,972	427,668	458,388	534,708	613,236	693,972
26.	372-2	Computer Equipment	1,113,218	1,103,262	1,150,122	1,281,122	1,382,294	1,433,584	1,513,124	1,585,687	1,681,819
27.	372-3	Software	202,870	204,430	207,835	209,725	235,975	239,026	250,066	261,394	273,106
28.	373	Transportation Equipment	234,319	244,367	285,397	291,223	273,186	273,186	273,186	273,186	273,186
29.	373-1	Vehicles	3,681,921	3,939,055	3,852,693	4,420,925	5,095,729	5,776,177	6,402,097	9,164,017	10,745,137
30.	374	Stores Equipment	0	0	0	0	0	0	0	0	0
31.	375	Laboratory Equipment	0	0	0	0	0	0	0	0	0
32.	376	Communication Equipment	5,243,353	5,786,819	5,885,492	6,384,608	6,659,568	6,693,823	7,902,481	8,018,641	9,837,407
33.	377	Power Operated Equipment	75,008	75,008	75,008	75,008	75,008	75,008	75,008	75,008	75,008
34.	378	Tools, Shop and Garage Equipment	1,305,592	1,340,484	1,505,291	1,535,117	1,594,612	1,689,652	1,777,492	1,867,924	1,960,948
35.	379	Other General Plant	0	0	0	0	0	0	0	0	0
36.	380	Automobiles	0	0	0	0	0	0	0	0	0
37.	381	GIS Mapping Facilities	2,391,253	2,668,783	2,992,959	3,336,587	3,771,716	4,085,636	4,425,316	4,753,679	5,053,340
38.	TOTAL UTILITY PLANT IN SERVICE, END OF YEAR		352,600,958	372,373,598	416,443,514	472,999,763	510,644,600	530,899,481	553,583,655	638,597,915	708,610,823
39.	DEPRECIABLE UTILITY PLANT IN SERVICE, END OF YEAR		346,481,442	366,238,682	403,384,891	458,796,316	495,732,152	514,987,033	537,671,207	622,685,467	692,698,375

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
UTILITY PLANT IN SERVICE - AVERAGE FOR YEAR, DOLLARS

TABLE 6-7

Line Number	P.U.C. Account Number	Description	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
UTILITY PLANT IN SERVICE - AVERAGE FOR YEAR											
I. INTANGIBLE PLANT											
1.	301	Organization	24,996	24,996	24,996	24,996	24,996	24,996	24,996	24,996	24,996
2.	302	Franchises and Consents	8,040	8,040	8,040	8,040	8,040	508,040	1,008,040	1,008,040	1,008,040
3.	303	Other Intangible Plant	4,107,177	4,953,627	8,160,964	11,933,013	12,859,925	13,214,425	13,214,425	13,214,425	13,214,425
II. LANDED CAPITAL											
4.	306	Land and Land Rights	1,107,108	1,140,553	1,402,770	1,664,987	1,664,987	1,664,987	1,664,987	1,664,987	1,664,987
III. SOURCE OF SUPPLY PLANT											
5.	315	Wells	10,827,053	10,903,214	11,478,467	12,632,568	14,857,623	17,032,830	17,928,308	18,547,568	23,607,548
6.	316	Supply Mains	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950	7,133,950
7.	317	Other Source of Supply Plant	253,491	253,491	253,491	253,491	253,491	253,491	253,491	253,491	253,491
IV. PUMPING PLANT											
8.	321	Structures and Improvements	10,425,268	11,200,469	11,818,103	12,036,311	12,283,844	12,353,999	12,353,999	12,353,999	12,353,999
9.	324	Pumping Equipment	21,196,661	22,728,540	24,160,422	25,315,292	27,032,810	27,969,452	28,728,995	29,442,752	31,547,103
10.	325	Other Pumping Plant	254,376	254,376	254,376	254,376	254,376	254,376	254,376	254,376	254,376
V. WATER TREATMENT PLANT											
11.	331	Structures and Improvements	1,428,066	1,925,143	2,187,837	2,194,058	2,210,087	2,226,115	2,226,115	2,226,115	2,226,115
12.	332	Water Treatment Equipment	4,939,731	5,202,195	5,399,435	5,679,605	6,023,656	6,186,908	8,182,093	27,926,021	47,184,814
VI. TRANSMISSION AND DISTRIBUTION PLANT											
13.	341	Structures and Improvements	447,883	470,468	470,468	470,468	470,468	470,468	470,468	470,468	470,468
14.	342	Reservoirs and Tanks	43,416,504	45,346,425	45,776,117	46,064,976	47,758,537	49,788,775	50,289,446	50,289,446	51,426,224
15.	343	Transmission and Distribution Mains	129,659,966	135,677,333	148,432,264	174,410,035	197,484,148	210,250,097	218,332,654	238,263,691	274,039,634
16.	344	Fire Mains									
17.	345	Services	43,963,104	47,611,136	53,008,604	62,292,504	71,887,414	77,357,872	80,724,134	84,512,967	88,392,903
18.	346	Meters	11,007,820	13,048,792	15,618,208	18,026,930	20,120,481	21,267,515	22,976,789	26,168,613	29,467,763
19.	346-1	Recycled Meters	37,835	37,822	37,822	41,448	46,380	47,686	47,686	47,686	47,686
20.	346-2	Meters Box & Lids	12,995	44,260	89,514	145,700	208,524	257,688	301,934	360,158	420,062
21.	347	Meter Installations	1,239,293	1,531,295	1,896,773	2,262,971	2,576,346	2,734,232	3,119,569	3,843,884	4,590,019
22.	348	Hydrants	13,541,837	14,629,781	16,346,727	19,380,665	21,975,962	23,136,531	23,877,055	24,782,959	25,715,023
VII. GENERAL PLANT											
23.	371	Structures and Improvements	20,652,107	21,785,344	23,020,588	23,765,743	24,356,679	24,912,768	25,572,741	26,793,723	28,326,802
24.	371-1	Leased Property Improvements	998,044	860,373	876,743	1,071,097	1,095,794	1,099,781	1,099,781	1,099,781	1,099,781
25.	372-0	Office Furniture	461,336	435,538	419,505	435,887	469,641	504,940	516,556	523,564	530,812
26.	372-1	Office Equipment	474,561	475,246	473,869	477,972	452,820	443,028	496,548	573,972	653,604
27.	372-2	Computer Equipment	1,074,007	1,108,240	1,126,692	1,215,622	1,331,708	1,407,939	1,473,354	1,549,406	1,633,753
28.	372-3	Software	200,626	203,650	206,133	208,780	222,850	237,501	244,546	255,730	267,250
29.	373	Transportation Equipment	234,319	239,343	264,882	288,310	282,204	273,186	273,186	273,186	273,186
30.	373-1	Vehicles	3,504,850	3,810,488	3,895,874	4,136,809	4,758,327	5,435,953	6,089,137	7,783,057	9,954,577
31.	374	Stores Equipment	0	0	0	0	0	0	0	0	0
32.	375	Laboratory Equipment	0	0	0	0	0	0	0	0	0
33.	376	Communication Equipment	5,051,883	5,515,086	5,836,156	6,135,050	6,522,088	6,676,695	7,298,152	7,960,561	8,928,024
34.	377	Power Operated Equipment	75,008	75,008	75,008	75,008	75,008	75,008	75,008	75,008	75,008
35.	378	Tools, Shop and Garage Equipment	1,264,467	1,323,038	1,422,887	1,520,204	1,564,865	1,642,132	1,733,572	1,822,708	1,914,436
36.	379	Other General Plant	0	0	0	0	0	0	0	0	0
37.	380	Automobiles	0	0	0	0	0	0	0	0	0
38.	381	GIS Mapping Facilities	2,291,891	2,530,018	2,830,871	3,164,773	3,554,151	3,928,676	4,255,476	4,589,498	4,903,509
39.	TOTAL UTILITY PLANT IN SERVICE, AVERAGE FOR YEAR		341,316,253	362,487,278	394,408,556	444,721,639	491,822,180	520,772,040	542,241,567	596,090,786	673,604,368
40.	DEPRECIABLE UTILITY PLANT IN SERVICE, AVG FOR YEAR		336,068,932	356,360,062	384,811,786	431,090,603	477,264,232	505,359,592	526,329,119	580,178,338	657,691,920

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
ALTERNATIVE METHOD - UTILITY PLANT IN SERVICE

TABLE 6-8

Line Number	P.U.C. Account Number	Description	Recorded Year					5 Year Average Plant Addition	2024 Year End Utility Plant In Service	Average Test Year	
			2020	2021	2022	2023	2024			2027	2028
UTILITY PLANT IN SERVICE - ALTERNATIVE METHODOLOGY											
I. INTANGIBLE PLANT											
1.	301	Organization	0	0	0	0	0	0	24,996	24,996	24,996
2.	302	Franchises and Consents	0	0	0	0	0	0	8,040	8,040	8,040
3.	303	Other Intangible Plant	1,677,500	15,400	6,399,273	1,144,825	709,000	1,989,200	13,214,425	19,182,024	21,171,224
II. LANDED CAPITAL											
4.	306	Land and Land Rights	66,890	0	524,434	0	0	118,265	1,664,987	2,019,781	2,138,046
III. SOURCE OF SUPPLY PLANT											
5.	311	Structures and Improvements	0	0	0	0	0	0	0	0	0
6.	312	Collecting and Impounding Reservoirs	0	0	0	0	0	0	0	0	0
7.	313	Lake, River and Other Intakes	0	0	0	0	0	0	0	0	0
8.	314	Springs and Tunnels	0	0	0	0	0	0	0	0	0
9.	315	Wells	26,950	436,275	1,025,135	1,283,067	3,167,043	1,187,694	16,441,144	20,004,226	21,191,919
10.	316	Supply Mains	0	0	0	0	0	0	7,133,950	7,133,950	7,133,950
11.	317	Other Source of Supply Plant	0	0	0	0	0	0	253,491	253,491	253,491
IV. PUMPING PLANT											
12.	321	Structures and Improvements	396,796	1,172,003	92,575	354,756	140,310	431,288	12,353,999	13,647,863	14,079,150
13.	322	Boiler Plant Equipment	0	0	0	0	0	0	0	0	0
14.	323	Other Power Production Equipment	0	0	0	0	0	0	0	0	0
15.	324	Pumping Equipment	533,715	2,890,270	328,605	2,034,202	1,528,015	1,462,961	27,745,538	32,134,421	33,597,382
16.	325	Other Pumping Plant	0	0	0	0	0	0	254,376	254,376	254,376
V. WATER TREATMENT PLANT											
17.	331	Structures and Improvements	481,207	512,947	12,442	0	32,057	207,731	2,226,115	2,849,308	3,057,038
18.	332	Water Treatment Equipment	301,849	223,578	217,639	431,323	299,833	294,845	6,172,988	7,057,521	7,352,366
VI. TRANSMISSION AND DISTRIBUTION PLANT											
19.	341	Structures and Improvements	45,171	0	0	0	0	9,034	470,468	497,571	506,605
20.	342	Reservoirs and Tanks	3,272,789	609,657	249,728	360,608	3,170,473	1,532,651	49,288,104	53,886,057	55,418,708
21.	343	Transmission and Distribution Mains	6,961,929	5,164,218	20,578,030	31,899,633	14,947,320	15,910,226	204,767,088	252,497,767	268,407,993
22.	344	Fire Mains	0	0	0	0	0	0	0	0	0
23.	345	Services	4,064,691	3,547,801	7,599,172	11,455,934	8,264,980	6,986,515	75,894,234	96,853,781	103,840,296
24.	346	Meters	1,837,659	2,847,679	3,024,024	2,815,962	2,214,063	2,547,877	21,122,739	28,766,371	31,314,248
25.	346-1	Recycled Meters	2,352	0	0	23,951	5,064	6,273	47,686	66,505	72,779
26.	346-2	Meters Lid & Boxes	25,990	36,541	53,967	58,405	67,243	48,429	242,146	387,434	435,863
27.	347	Meter Installations	214,492	369,512	361,444	370,952	255,798	314,439	2,704,245	3,647,563	3,962,002
28.	348	Hydrants	1,385,328	857,166	2,670,032	3,535,736	1,813,571	2,052,367	22,842,503	28,999,603	31,051,970
29.	349	Other Transmission and Distribution Plant	0	0	0	0	0	0	0	0	0
VII. GENERAL PLANT											
30.	371	Structures and Improvements	722,195	1,629,382	930,313	579,037	604,681	893,121	24,659,020	27,338,384	28,231,505
31.	371-1	Leased Property Improvements	39,206	42,579	347,289	41,419	7,975	95,693	1,099,781	1,386,862	1,482,555
32.	372-0	Office Furniture	0	0	25,645	14,964	54,278	18,977	496,780	553,713	572,690
33.	372-1	Office Equipment	12,331	7,353	8,206	0	43,765	14,331	427,668	470,661	484,992
34.	372-2	Computer Equipment	78,422	93,673	85,353	134,684	132,444	104,915	1,382,294	1,697,039	1,801,954
35.	372-3	Software	4,490	1,560	3,405	1,890	26,250	7,519	235,975	258,532	266,051
36.	373	Transportation Equipment	0	10,048	41,030	5,825	0	11,381	273,186	307,328	318,709
37.	373-1	Vehicles	361,556	427,491	19,852	568,232	890,245	453,475	5,095,729	6,456,154	6,909,629
38.	374	Stores Equipment	0	0	0	0	0	0	0	0	0
39.	375	Laboratory Equipment	0	0	0	0	0	0	0	0	0
40.	376	Communication Equipment	389,652	548,766	100,318	516,380	276,777	366,379	6,659,568	7,758,704	8,125,082
41.	377	Power Operated Equipment	0	0	0	0	0	0	75,008	75,008	75,008
42.	378	Tools, Shop and Garage Equipment	82,249	40,058	178,182	35,539	67,110	80,628	1,594,612	1,836,496	1,917,124
43.	379	Other General Plant	0	0	0	0	0	0	0	0	0
44.	380	Automobiles	0	0	0	0	0	0	0	0	0
45.	381	GIS Mapping Facilities	198,724	318,546	324,176	491,800	435,129	353,675	3,771,716	4,832,742	5,186,417
46.	TOTAL AVERAGE UTILITY PLANT ADDITIONS DURING YEAR		23,184,133	21,802,501	45,200,271	58,159,123	39,153,422	37,499,890	510,644,600	623,144,270	660,644,159

■ Chapter - Depreciation Accruals, Reserve for Depreciation

Depreciation accruals and reserve for depreciation for recorded years 2020 through 2024, adjusted years 2025 and 2026, and test years ending December 31, 2027 and 2028 are presented in this chapter.

New straight line remaining life depreciation rates were developed and used for computing depreciation accruals and reserve for depreciation, as discussed in the Direct Testimony of John J. Spanos, President of Gannett Fleming Valuation and Rate Consultants, LLC.

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
DEPRECIATION ACCRUAL DETERMINATION
STRAIGHT LINE REMAINING LIFE METHOD

TABLE 7-1

Line No.	P.U.C. Account No.	Account	Survivor Curve	Net Salvage Percent	Original Cost As of (Dec 31, 2024)	Book Depreciation Reserve	Future Accruals	Calculated Annual Accrual		Composite Remaining Life
								Amount	Rate	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	315	Wells	40-R1.5	(20)	16,441,144	6,611,046	13,118,326	417,846	2.54%	31.4
2.	316	Supply Mains	45-R2.5	(10)	7,133,950	5,353,168	2,494,177	128,216	1.80%	19.5
3.	317	Other Source of Supply Plant	35-S1.5	(10)	253,491	235,231	43,609	6,795	2.68%	6.4
4.	321	Structures and Improvements	50-R3	(10)	12,353,999	5,248,454	8,340,945	216,038	1.75%	38.6
5.	324	Pumping Equipment	35-R2	(15)	27,745,538	15,925,231	15,982,138	575,196	2.07%	27.8
6.	325	Other Pumping Plant	30-S1	(5)	254,376	13,630	253,465	16,188	6.36%	15.7
7.	331	Structures and Improvements	45-R2.5	(5)	2,226,115	817,146	1,520,275	42,279	1.90%	36.0
8.	332	Water Treatment Equipment	30-S0	(5)	6,172,988	4,104,018	2,377,619	98,983	1.60%	24.0
9.	341	T&D Plant Structure Impr.	35-S2.5	(5)	470,468	382,965	111,027	5,383	1.14%	20.6
10.	342	Reservoirs and Tanks	55-R3	(40)	49,288,103	12,409,676	56,593,668	1,381,475	2.80%	41.0
11.	343	Transmission & Distribution Mains	60-R3	(30)	204,799,617	52,683,277	213,556,225	4,709,687	2.30%	45.3
12.	345	Services	50-R3	(100)	75,894,235	26,477,272	125,311,198	3,115,587	4.11%	40.2
13.	346	Meters	15-S3	(25)	21,122,739	5,270,543	21,132,881	2,344,632	11.10%	9.0
14.	346-1	Recycled Meters	9-L4	(25)	47,686	14,159	45,448	8,078	16.94%	5.6
15.	346-2	Meters Box & Lids	15-S3	(25)	242,146	33,508	269,175	20,866	8.62%	12.9
16.	347	Meter Installations	20-L3	0	2,704,244	947,609	1,756,635	112,170	4.15%	15.7
17.	348	Hydrants	60-R4	(50)	22,809,974	7,852,842	26,362,118	516,833	2.27%	51.0
18.	371	Structures and Improvements	35-S1.5	(25)	24,659,020	4,434,850	26,388,925	988,995	4.01%	26.7
19.	371-1	Leased Property Improvements	15-S0.5	0	1,099,781	590,257	509,524	49,927	4.54%	10.2
20.	372-0	Office Furniture	20-SQ	0	496,780	179,750	317,030	32,542	6.55%	9.7
21.	372-1	Office Equipment	10-SQ	0	427,668	399,199	28,469	2,996	0.70%	9.5
22.	372-2	Personal Computers	8-SQ	0	1,382,294	1,176,644	205,650	29,903	2.16%	6.9
23.	372-3	Software	5-SQ	0	235,975	204,163	31,812	9,694	4.11%	3.3
24.	373	Transportation Equipment	12-S1	5	273,186	174,367	85,159	14,436	5.28%	5.9
25.	373-1	Vehicles	13-S2	10	5,095,730	3,285,763	1,300,394	116,072	2.28%	11.2
26.	376	Communication Equipment	15-SQ	0	6,659,568	5,323,391	1,336,177	110,793	1.66%	12.1
27.	377	Power Operated Equipment	18-L2.5	0	75,008	67,547	7,461	973	1.30%	7.7
28.	378	Tools, Shop & Garage Equipment	20-SQ	0	1,594,613	1,469,745	124,868	6,827	0.43%	18.3
29.	379	Other General Plant			-					
30.	380	Automobiles			-					
31.	381	GIS Mapping Facilities	10-SQ	0	3,771,717	3,760,003	11,714	1,233	0.03%	9.5
32.		TOTAL DEPRECIABLE PLANT			495,732,154	165,445,454	519,616,112	15,080,643	3.04%	
33.		Contribution in Aid of Construction			(42,912,404)			(1,180,091)	2.75%	

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
DEPRECIATION RATES, PERCENT

TABLE 7-2

Line Number	P.U.C. Account Number	Description	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
III. SOURCE OF SUPPLY PLANT											
1.	315	Wells	3.759%	3.735%	3.580%	3.588%	3.791%	3.791%	3.791%	2.540%	2.540%
2.	316	Supply Mains	2.158%	2.136%	2.136%	2.136%	2.108%	2.108%	2.108%	1.800%	1.800%
3.	317	Other Source of Supply Plant	1.491%	2.346%	2.346%	2.346%	0.968%	0.968%	0.968%	2.680%	2.680%
IV. PUMPING PLANT											
4.	321	Structures and Improvements	3.215%	3.047%	3.156%	3.152%	3.201%	3.201%	3.201%	1.750%	1.750%
5.	322	Boiler Plant Equipment									
6.	323	Other Power Production Equipment									
7.	324	Pumping Equipment	4.786%	4.345%	4.441%	4.392%	4.290%	4.290%	4.290%	2.070%	2.070%
8.	325	Other Pumping Plant	4.550%	5.032%	5.032%	5.032%	4.419%	4.419%	4.419%	6.360%	6.360%
V. WATER TREATMENT PLANT											
9.	331	Structures and Improvements	2.760%	2.884%	3.086%	3.090%	3.181%	3.181%	3.181%	1.900%	1.900%
10.	332	Water Treatment Equipment	3.946%	4.034%	4.046%	3.979%	3.834%	3.834%	3.834%	1.600%	1.600%
VI. TRANSMISSION AND DISTRIBUTION PLANT											
11.	341	Structures and Improvements	4.013%	3.432%	3.432%	3.432%	3.264%	3.264%	3.264%	1.140%	1.140%
12.	342	Reservoirs and Tanks	2.401%	2.370%	2.371%	2.376%	2.257%	2.257%	2.257%	2.800%	2.800%
13.	343	Transmission and Distribution Mains	2.308%	2.167%	2.165%	2.085%	2.161%	2.161%	2.161%	2.300%	2.300%
14.	344	Fire Mains									
15.	345	Services	6.960%	5.678%	5.744%	5.550%	5.562%	5.562%	5.562%	4.110%	4.110%
16.	346	Meters	6.761%	6.872%	6.633%	6.648%	6.730%	6.730%	6.730%	11.100%	11.100%
17.	346-1	Recycled Meters		5.830%	5.830%	5.772%	8.900%	8.900%	8.900%	16.940%	16.940%
18.	346-2	Meters Box & Lids				7.333%	5.889%	5.889%	5.889%	8.620%	8.620%
19.	347	Meter Installations	6.422%	6.699%	6.448%	6.479%	6.444%	6.444%	6.444%	4.150%	4.150%
20.	348	Hydrants	3.456%	3.323%	3.323%	3.222%	3.471%	3.471%	3.471%	2.270%	2.270%
21.	349	Other Transmission and Distribution Plant									
VII. GENERAL PLANT											
22.	371	Structures and Improvements	2.733%	2.884%	2.914%	2.931%	2.727%	2.727%	2.727%	4.010%	4.010%
23.	371-1	Leased Property Improvements	7.311%	1.737%	1.237%	1.457%	21.128%	21.128%	21.128%	4.540%	4.540%
24.	372-0	Office Furniture	-36.133%	-14.783%	-13.815%	-13.973%	49.303%	49.303%	49.303%	6.550%	6.550%
25.	372-1	Office Equipment	14.671%	3.716%	3.654%	3.681%	1.799%	1.799%	1.799%	0.700%	0.700%
26.	372-2	Computer Equipment	10.678%	10.087%	10.274%	10.253%	7.474%	7.474%	7.474%	2.160%	2.160%
27.	372-3	Software	0.000%	15.058%	15.004%	15.040%	7.935%	7.935%	7.935%	4.110%	4.110%
28.	373	Transportation Equipment	-5.139%	17.638%	16.329%	17.670%	24.755%	24.755%	24.755%	5.280%	5.280%
29.	373-1	Vehicles	8.372%	11.844%	12.021%	11.577%	12.737%	12.737%	12.737%	2.280%	2.280%
30.	374	Stores Equipment									
31.	375	Laboratory Equipment									
32.	376	Communication Equipment	3.513%	6.138%	6.269%	6.134%	8.457%	8.457%	8.457%	1.660%	1.660%
33.	377	Power Operated Equipment	14.048%	20.355%	20.355%	20.355%	3.051%	3.051%	3.051%	1.300%	1.300%
34.	378	Tools, Shop and Garage Equipment	9.340%	6.983%	6.827%	6.993%	4.149%	4.149%	4.149%	0.430%	0.430%
35.	379	Other General Plant	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
36.	380	Automobiles	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
37.	381	GIS Mapping	0.416%	25.110%	25.057%	25.195%	17.873%	17.873%	17.873%	0.030%	0.030%
38.		COMPOSITE RATE	3.523%	3.567%	3.604%	3.536%	3.651%	3.664%	3.692%	3.018%	2.974%

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
DEPRECIATION ACCRUALS AND EXPENSE, DOLLARS

TABLE 7-3

Line Number	P.U.C. Account Number	Description	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
III. SOURCE OF SUPPLY PLANT											
1.	315	Wells	406,989	407,268	410,947	453,310	563,182	645,715	679,662	471,108	599,632
2.	316	Supply Mains	153,951	152,381	152,381	152,381	150,384	150,384	150,384	128,411	128,411
3.	317	Other Source of Supply Plant	3,780	5,947	5,947	5,947	2,454	2,454	2,454	6,794	6,794
IV. PUMPING PLANT											
4.	321	Structures and Improvements	335,158	341,296	372,950	379,379	393,147	395,452	395,452	216,195	216,195
5.	324	Pumping Equipment	1,014,432	987,508	1,072,880	1,111,787	1,159,667	1,199,889	1,232,474	609,465	653,025
6.	325	Other Pumping Plant	11,574	12,800	12,800	12,800	11,241	11,241	11,241	16,178	16,178
V. WATER TREATMENT PLANT											
7.	331	Structures and Improvements	39,417	55,524	67,523	67,796	70,295	70,813	70,813	42,296	42,296
8.	332	Water Treatment Equipment	194,926	209,854	218,462	225,974	230,953	237,206	313,701	446,816	754,957
VI. TRANSMISSION AND DISTRIBUTION PLANT											
9.	341	Structures and Improvements	17,973	16,146	16,146	16,146	15,356	15,356	15,356	5,363	5,363
10.	342	Reservoirs and Tanks	1,042,327	1,074,586	1,085,130	1,094,315	1,077,992	1,123,733	1,135,033	1,408,104	1,439,934
11.	343	Transmission and Distribution Mains	2,992,111	2,940,779	3,212,851	3,635,703	4,268,406	4,543,505	4,718,169	5,480,065	6,302,912
12.	344	Fire Mains									
13.	345	Services	3,059,757	2,703,427	3,044,763	3,457,209	3,998,597	4,302,645	4,489,876	3,473,483	3,632,948
14.	346	Meters	744,257	896,648	1,036,024	1,198,515	1,354,065	1,431,304	1,546,338	2,904,716	3,270,922
15.	346-1	Recycled Meters	2,569	2,205	2,205	2,392	4,128	4,244	4,244	8,078	8,078
16.	346-2	Meters Box & Lids	856	3,058	6,630	10,684	12,280	15,175	17,781	31,046	36,209
17.	347	Meter Installations	79,581	102,584	122,303	146,615	166,011	176,194	201,025	159,521	190,486
18.	348	Hydrants	467,986	486,172	543,268	624,382	762,837	803,069	828,773	562,573	583,731
VII. GENERAL PLANT											
19.	371	Structures and Improvements	564,375	628,242	670,902	696,680	664,163	679,371	697,369	1,074,428	1,135,905
20.	371-1	Leased Property Improvements	72,970	14,946	10,842	15,607	231,516	232,362	232,362	49,930	49,930
21.	372-0	Office Furniture	(166,694)	(64,387)	(57,953)	(60,905)	231,545	248,951	254,678	34,293	34,768
22.	372-1	Office Equipment	69,625	17,662	17,317	17,594	8,146	7,970	8,933	4,018	4,575
23.	372-2	Computer Equipment	114,683	111,791	115,754	124,634	99,534	105,229	110,118	33,467	35,289
24.	372-3	Software	20,214	30,667	30,929	31,401	17,684	18,846	19,405	10,511	10,984
25.	373	Transportation Equipment	(12,042)	42,216	43,253	50,945	69,860	67,627	67,627	14,424	14,424
26.	373-1	Vehicles	293,427	451,333	468,304	478,913	606,075	692,377	775,573	177,454	226,964
27.	374	Stores Equipment									
28.	375	Laboratory Equipment									
29.	376	Communication Equipment	177,486	338,506	365,865	376,340	551,580	564,648	617,205	132,145	148,205
30.	377	Power Operated Equipment	10,537	15,268	15,268	15,268	2,288	2,288	2,288	975	975
31.	378	Tools, Shop and Garage Equipment	118,106	92,385	97,137	106,314	64,931	68,132	71,926	7,838	8,232
32.	379	Other General Plant									
33.	380	Automobiles									
34.	381	GIS Mapping	9,543	635,296	709,345	797,370	635,223	702,172	760,581	1,377	1,471
35.	390	Other Tangible Property									
36.		TOTAL DEPRECIATION ACCRUAL	11,839,874	12,712,104	13,870,176	15,245,499	17,423,538	18,518,352	19,430,841	17,511,072	19,559,793
37.		Less Depreciation Charged to Contributions In Aid Of Construction	1,079,524	1,008,482	1,025,003	1,118,729	1,304,814	1,304,814	1,084,712	1,100,023	1,101,398
38.		NET DEPRECIATION EXPENSE	10,760,350	11,703,622	12,845,173	14,126,770	16,118,724	17,213,538	18,346,129	16,411,049	18,458,395

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
DEPRECIATION RESERVE, DOLLARS

TABLE 7-4

Line Number	Description	Recorded Year				Estimated Year		Test Year		
		2020	2021	2022	2023	2024	2025	2026	2027	2028
DEPRECIATION RESERVE										
1.	Depreciation Reserve, Beginning of Year Balance	117,053,746	125,477,658	132,638,298	141,941,521	152,301,822	164,462,664	178,881,189	189,941,706	195,508,780
<u>Add:</u>										
2.	Depreciation Accrual	11,839,874	12,712,104	13,870,176	15,245,499	17,423,538	18,518,352	19,430,841	17,662,654	19,862,956
3.	Salvage	26,235	115,901	97,508	45,356	204,027	97,805	97,805	97,805	97,805
<u>Less:</u>										
4.	Retirements	614,723	2,029,861	1,130,355	1,602,873	1,508,585	802,286	945,173	4,331,747	2,917,205
5.	Cost of Removal	2,827,475	3,637,504	3,534,105	3,327,682	3,958,138	3,395,346	7,522,956	7,861,639	8,197,586
6.	Adjustments									
7.	Depreciation Reserve, End of Year Balance	125,477,658	132,638,298	141,941,521	152,301,822	164,462,664	178,881,189	189,941,706	195,508,780	204,354,751
8.	AVERAGE DEPRECIATION RESERVE FOR RATE BASE	121,265,702	129,057,978	137,289,909	147,121,671	158,382,243	171,671,926	184,411,448	192,725,243	199,931,766

COST OF REMOVAL:

P.U.C. Account No.	Description	Estimated Year		Test Year	
		2025	2026	2027	2028
9.	343 T&D (valves and miscellaenous pipelines)	1,097,264	2,547,000	2,620,600	2,696,400
10.	345 Service Replacement	1,551,490	3,675,600	3,899,600	4,123,600
11.	347 Meters Installations	65,581	370,156	384,339	392,886
12.	348 Hydrants	681,011	930,200	957,100	984,700
13.		3,395,346	7,522,956	7,861,639	8,197,586

■ Chapter - Rate Base

Components of rate base include utility plant, construction work-in-progress (CWIP), materials and supplies, and working cash and excludes the reserve for depreciation, advances for construction, contributions in aid of construction, unamortized investment tax credit, deferred revenue, deferred income taxes, Interest During Construction (IDC), Tax Cuts and Job Acts (TCJA) – Cumulative Unprotected IDC and Other per Advice Letter 337-W, TCJA – Protected Excess Deferred Items per Advice Letter 337-W. Computation of rate base for the recorded years 2020 through 2024, estimated years 2025 and 2026, and for the test years ending December 31, 2027 and 2028 are shown in Table 8-1.

8.1 Utility Plant

Suburban's Utility plant totals shown in Table 8-1, line 1 were computed as shown in Chapter 6 in Table 6-7. Parent company (Nexus Water Group) Utility plant totals were calculated and shown in Table RB-1B.

8.2 Materials and Supplies

The materials and supplies amounts shown in Table 8-1 for each year are the average of the beginning and end of year amounts. Estimated year 2025 is calculated based on last five recorded year, escalated to account for inflation.

8.3 Working Cash

The estimate of working cash included in rate base shown in Table 8-1 was computed in accordance with Commission Standard Practice U-16 as shown in Table 8-2. It is believed that this negative amount represents a reasonable amount of cash lag, which takes into account the time lag between when expenses are incurred and when the related income is received based on the monthly billing cycle.

8.4 Reserve for Depreciation

The reserve for depreciation totals shown in Table 8-1 were computed as shown in Chapter 7 in Table 7-4.

8.5 Advances for Construction

Advances for construction totals shown in Table 8-1 were computed as shown in Table 8-3.

Additions to advances for construction shown for the years ending December 31, 2027 and 2028 are consistent with new business plant additions shown in Table 6-1.

Advances for rate base as shown were computed as the average of beginning and end of year balances.

8.6 Contributions in Aid of Construction

The contributions in aid of construction totals shown in Table 8-1 are computed as shown in Table 8-4. Additions shown were computed as shown in Table 6-1 and consistent with the computation of advances for construction discussed above.

8.7 Deferred Income Taxes, Depreciation Differences

The difference between taxes charged to expense and taxes payable is credited to a deferred tax account. Computation of the amount of deferred taxes in this account, which is shown as a deduction in computing rate base, is shown in Table 9-3.

8.8 Deferred Federal Income Taxes Associated with Taxable Advances and Contributions

The Tax Reform Act of 1986 required for the first time that Contributions in Aid of Construction (C.I.A.C.) be included in taxable income. The Commission in Decision 87-09-026 provided alternate accounting and rate-making procedures for amounts received and income taxes paid. Suburban elected Method 5, which provides for amounts received to be grossed up by the net present value of the revenue requirement for rate base treatment of taxes paid. This same method is also used for California Corporate Franchise Tax (“CCFT”) on advances and contributions that became taxable for CCFT purposes on January 1, 1992. Beginning June 12, 1996, there was a limited exclusion to CIAC being taxable for water and wastewater utilities. However, the Tax Cuts and Jobs Act, enacted on December 22, 2017, resurrected the taxation of CIAC. The computations of deferred tax amounts from 1987 through estimated year ending December 31, 2028 are shown in Table 8-6 and Table 8-7 for taxable advances and taxable C.I.A.C., respectively. These amounts are shown as credit balances in this table to reflect that they are actually negative deferred taxes, or prepaid taxes.

The computations of Deferred Tax Asset related to Taxable C.I.A.C. Gross-Up beginning in year 2018, are shown in Table 8-9.

8.9 Investment Tax Credit Adjustment

In accordance with the Federal Tax Act of 1971 and the Tax Reduction Act of 1975, for rate-making purposes, regulated utilities are allowed the option of considering investment tax credits as either a reduction in rate base, to be restored over the life of the equipment installed, or as a reduction in the total tax liability, also spread over the life of the equipment installed. As the Company did not make an election as to which option it preferred within 90 days after the date of enactment of either tax act, the rate base adjustment option automatically applies. Computation of the investment tax credit adjustment in Table 8-1 is shown in Table 8-5 (years 2020 through 2028). The adjustment is computed as the cumulative investment credit taken since year 1972 less the cumulative proration of prior year credits.

8.10 Deferred Revenues Associated with Taxable Contributions in Aid of Construction

Method 5 of the Commission procedures for accounting and rate-making for taxable contributions also provided for a deferred revenue component associated with the gross-up on amounts received. The computation of resulting accumulated deferred revenues generated and the amortization of deferred revenues for year 2027 through estimated year 2028 is shown in Table 8-8.

8.11 Allocation of Parent Company Rate Base

Parent Company's estimated rate base amount allocated to Suburban are \$3,888,939 and \$6,096,681 in test years 2027 and 2028, respectively. These amounts are shown in Table 8-1. Parent Company rate base consists primarily of plant in service less depreciation reserve and ADFIT allocated to Suburban based on the cost allocation manual. Depreciation of Parent Company plant was calculated using the same depreciation rates as used by Suburban. No CWIP is included in Parent Company Rate Base inasmuch as projects are of relatively short duration. Parent Company plant in service consists of IT projects. See the Direct Testimony of Jeffrey Farney.

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
RATE BASE, DOLLARS

TABLE 8-1

Line Number	Description	Recorded Year					Estimated Year		Test Year				
		2020	2021	2022	2023	2024	2025	2026	2027	2028			
1.	Utility Plant in Service, Average for Year (Table 6-7)	341,316,253	362,487,278	394,408,556	444,721,639	491,822,180	520,772,040	542,241,567	596,090,786	673,604,368			
2.	Construction Work In Progress, Average for Year (Table 6-1, line 7)	12,479,573	18,795,055	25,619,156	18,370,787	10,614,380	7,971,454	8,622,723	7,104,897	398,381			
3.	Materials and Supplies, Average for Year A\	530,694	513,036	646,002	843,416	1,144,394	808,435	830,101	852,846	873,485			
4.	Working Cash (Table 8-2)						836,653	168,116	(3,152,513)	(2,818,781)			
5.	TOTAL ADDITIONS TO RATE BASE	354,326,520	381,795,369	420,673,714	463,935,842	503,580,954	530,388,582	551,862,507	600,896,016	672,057,453			
LESS DEDUCTIONS FROM RATE BASE:													
6.	Reserve for Depreciation (Table 7-4)	121,265,702	129,057,978	137,289,909	147,121,671	158,382,243	171,671,926	184,411,448	193,044,195	200,418,088			
7.	Advances for Construction (Table 8-3)	8,123,869	7,865,184	7,566,432	7,523,352	8,175,596	8,613,341	8,395,329	8,186,095	7,978,187			
8.	Contributions in Aid of Construction (C.I.A.C.) (Table 8-4)	14,827,901	14,509,166	14,240,648	13,932,852	13,391,071	13,717,974	14,267,684	13,732,073	12,681,363			
9.	Unamortized Investment Tax Credits (Table 8-5)	81,315	67,437	56,720	46,003	35,286	24,569	13,852	4,247	0			
10.	Accumulated Deferred Taxes, Taxable Advances For Construction (Table 8-6)	(69,545)	(67,509)	(62,552)	(74,660)	(88,022)	(85,661)	(83,346)	(80,947)	(78,490)			
11.	Accumulated Deferred Taxes, Taxable C.I.A.C. (Table 8-7)	(49,005)	(73,136)	(81,816)	(83,037)	(82,532)	(464,043)	(1,018,033)	(1,173,356)	(1,140,428)			
12.	Unamortized Deferred Revenue, Taxable C.I.A.C. (Table 8-8)	167,159	235,276	243,290	229,349	213,684	194,558	175,432	156,306	137,180			
13.	Accumulated Deferred Tax Asset Related to C.I.A.C. Utility Plant (Table 8-9)	(246,925)	(364,831)	(694,088)	(1,614,127)	(2,170,519)	(2,097,825)	(2,051,325)	(1,934,064)	(1,783,389)			
14.	Accumulated Deferred Income Taxes Depreciation Timing Differences (Table 9-3)	12,705,147	12,777,917	12,862,007	13,003,492	13,187,486	13,264,342	13,155,132	13,469,349	14,481,797			
15.	Accumulated Deferred Income Taxes - Interest During Construction (IDC)	(1,514,607)	(1,691,667)	(1,865,096)	(1,916,320)	(2,070,517)	(2,242,763)	(2,465,637)	(2,596,008)	(2,730,196)			
16.	Amortization of Interest During Construction	241,197	305,322	376,457	452,084	531,820	618,085	712,252	813,484	920,008			
17.	TCJA - Cumulative Unprotected IDC and Other (per AL 337-W)	(43,596)	(58,128)	(72,660)	(87,192)	(101,724)	(116,256)	(130,788)	(145,320)	(159,852)			
18.	TCJA - Protected Excess Deferred Items (per AL 337-W)	634,991	852,125	1,081,353	1,290,193	1,476,723	1,655,980	1,835,264	2,012,702	2,178,361			
19.	TOTAL DEDUCTIONS FROM RATE BASE	156,123,602	163,415,135	170,940,604	179,823,660	190,880,595	204,754,226	217,217,264	225,488,756	232,902,629			
20.	Add Allocated SWWC (Parent Co.) Rate Base	2,373,842	2,886,114	3,759,602	3,802,623	2,433,741	1,882,060	1,332,679	3,888,939	6,096,681			
21.	TOTAL RATE BASE	200,576,760	221,266,348	253,492,712	287,914,806	315,134,099	327,516,416	335,977,922	379,296,199	445,251,505			
22.	A\ Materials and Supplies Escalation Factors												
23.	AS OF AUGUST 2025	2020	2021	2022	2023	2024	2025	2026	2027	2028			
24.	Inflation Escalation Factor Total	102.94%	110.82%	108.28%	101.74%	102.50%	102.96%	102.68%	102.74%	102.42%			
25.	TCJA per AL 337-W	Year#	1	2	3	4	5	6	7	8	9	10	11
26.	Unprotected IDC	Amount	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
27.	Unprotected Other	# of Year	37	37	37	37	37	37	37	37	37	37	37
28.	Total Unprotected Annually	Amount	13,767	13,767	13,767	13,767	13,767	13,767	13,767	13,767	13,767	13,767	13,767
29.	Cumulative Amount	Amount	765	765	765	765	765	765	765	765	765	765	765
30.	Protected Amount Annually	Amount	14,532	14,532	14,532	14,532	14,532	14,532	14,532	14,532	14,532	14,532	14,532
31.	Protected Amount, Cumulative	Amount	14,532	29,064	43,596	58,128	72,660	87,192	101,724	116,256	130,788	145,320	159,852
32.	Protected Amount, Cumulative	Amount	(214,887)	(209,944)	(210,160)	(217,134)	(229,227)	(208,840)	(186,529)	(179,257)	(179,284)	(177,438)	(165,659)
	Protected Amount, Cumulative	Amount	(214,887)	(424,831)	(634,991)	(852,125)	(1,081,353)	(1,290,193)	(1,476,723)	(1,655,980)	(1,835,264)	(2,012,702)	(2,178,361)

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
COMPUTATION OF WORKING CASH ALLOWANCE, DOLLARS

TABLE 8-2

Line Number	Item	Average Days Lag	Estimated 2025 Expense	Dollar-Days Lag	Estimated 2026 Expense	Dollar-Days Lag	Estimated 2027 Expense	Dollar-Days Lag	Estimated 2028 Expense	Dollar-Days Lag
		(1)	(2)	(3)						
1.	Labor	12.5	13,948,270	174,353,372	14,338,857	179,235,711	14,711,667	183,895,840	15,079,459	188,493,236
2.	Pumped Water Assessments, M.B.	259.0	9,457,785	2,449,566,437	9,543,525	2,471,773,030	10,796,751	2,796,358,574	10,812,650	2,800,476,429
3.	Pumped Water Assessments, C.B.	58.7	325,758	19,121,993	325,758	19,121,993	325,758	19,121,993	325,758	19,121,993
4.	Purchased Water	20.7	20,386,895	422,008,721	19,556,523	404,820,016	17,870,613	369,921,689	17,208,684	356,219,756
5.	Other Source of Supply	14.9	367	5,471	377	5,617	387	5,766	396	5,900
6.	Purchased Power	38.2	4,374,782	167,116,675	4,322,997	165,138,482	4,240,468	161,985,894	4,205,501	160,650,151
7.	Postage	33.0	439,254	14,495,371	451,026	14,883,858	463,384	15,291,672	474,598	15,661,734
8.	Uncollectible Accounts	0.0	227,116	0	230,800	0	226,356	0	224,551	0
9.	Franchise Requirements *	288.8	1,238,813	357,769,194	1,258,908	363,572,630	1,471,085	424,849,348	1,591,430	459,604,984
10.	Regulatory Commission Expenses	56.6	891,858	50,479,154	915,760	51,832,016	940,852	53,252,223	963,621	54,540,949
11.	P.U.C. Reimbursement Fee *	81.7	701,994	57,352,910	713,381	58,283,228	835,453	68,256,510	903,799	73,840,378
12.	Transportation Expenses	29.0	872,600	25,305,398	894,905	25,952,256	890,198	25,815,735	912,813	26,471,568
13.	Property Insurance	15.0	497,690	7,465,354	496,231	7,443,471	510,622	7,659,332	525,430	7,881,453
14.	Insurance, Injuries & Damages	15.0	984,876	14,773,147	923,707	13,855,599	949,033	14,235,498	975,073	14,626,095
15.	Employees' 401K	12.5	976,379	12,204,736	1,003,720	12,546,500	1,029,817	12,872,709	1,055,562	13,194,526
16.	Employee Benefits - Health Insurance	12.5	1,498,956	18,736,952	1,688,841	21,110,517	1,890,276	23,628,449	2,111,705	26,396,312
17.	Employee Benefits - Training & Rec.	(26.0)	353,936	(9,202,335)	371,973	(9,671,294)	380,159	(9,884,134)	387,587	(10,077,262)
18.	Other Operating Expenses	(187.5)	3,999,609	(749,926,703)	2,723,081	(510,577,602)	(1,367,098)	256,330,885	(1,218,055)	228,385,385
19.	Depreciation Expense	0.0	17,213,538	0	18,346,129	0	16,411,049	0	18,458,395	0
20.	F.I.C.A.	12.5	1,153,283	14,416,038	1,185,578	14,819,725	1,216,403	15,205,038	1,246,813	15,585,163
21.	Other Payroll Taxes	12.5	(25,931)	(324,138)	(28,347)	(354,338)	(30,653)	(383,163)	(32,927)	(411,588)
22.	Property Taxes	21.2	2,865,490	60,748,388	3,001,177	63,624,952	3,072,878	65,145,014	3,498,593	74,170,172
23.	Current Income Taxes **	15.0	1,810,892	27,163,378	2,089,451	31,341,770	9,037,312	135,559,679	11,454,231	171,813,465
24.	Deferred Income Taxes	0.0	302,295	0	660,884	0	(161,292)	0	(1,047,833)	0
25.	Deferred Investment Tax Credits	0.0	0	0	0	0	0	0	0	0
26.	TOTAL		84,496,505	3,133,629,513	85,015,242	3,398,758,137	85,711,478	4,639,124,551	90,117,834	4,696,650,799
27.	Revenue Lag Days		40.7		40.7		40.7		40.7	
28.	Expense Lag Days (Dollar-Lag Days / Expense)		37.1		40.0		54.1		52.1	
29.	Net Expense Lag Days		3.6		0.7		(13.4)		(11.4)	
30.	Working Cash (Exp X Net Exp Lag Days / 365)		836,653		168,116		(3,152,513)		(2,818,781)	

31. **NOTE:** * These expenses are based on proposed rates for test years 2027 and 2028. Manually input amounts are based on Table 11-2.
** Estimated Years 2025 and 2026 are based on Table 10-1 lines 17. Test years 2027 and 2028 are based on proposed rates from Table 11-2 line 13.

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
ADVANCES FOR CONSTRUCTION, DOLLARS

TABLE 8-3

Line Number	Description	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
ADVANCES FOR CONSTRUCTION										
<u>2-1/2% OF ANNUAL PAYMENT BASIS</u>										
Advances for Construction Prior to 1987										
1.	BEGINNING OF YEAR BALANCE	144,126	123,173	97,633	76,680	51,630	30,516	7,808	1,154	0
2.	Addition/Adjustment During Year	0	0	0	0	822				
3.	Refunds, Percent of Advances	20,953	25,540	20,953	25,051	21,936	22,708	6,654	1,154	0
4.	END OF YEAR BALANCE	123,173	97,633	76,680	51,630	30,516	7,808	1,154	0	0
5.	AVERAGE FOR YEAR, ADVANCES PRIOR TO 1987	133,649	110,403	87,157	64,155	41,073	19,162	4,481	577	0
Advances for Construction, 1987 and Later										
6.	BEGINNING OF YEAR BALANCE	7,731,010	7,563,847	7,306,536	7,059,818	7,313,362	8,457,919	8,278,500	8,097,081	7,913,662
7.	Additions During Year	86,490	0	0	505,203	1,403,975	80,000	80,000	80,000	80,000
8.	Refunds, Percent of Advances	253,653	257,312	246,718	251,658	259,419	259,419	261,419	263,419	265,419
9.	END OF YEAR BALANCE	7,563,847	7,306,536	7,059,818	7,313,362	8,457,919	8,278,500	8,097,081	7,913,662	7,728,243
10.	AVERAGE FOR YEAR, ADVANCES 1987 and LATER	7,647,429	7,435,191	7,183,177	7,186,590	7,885,641	8,368,209	8,187,790	8,005,372	7,820,953
Gross-Up for Construction, 1987 and Later										
11.	BEGINNING OF YEAR BALANCE	353,724	331,858	307,321	284,875	260,338	237,426	214,514	191,602	168,690
12.	Additions During Year	0					0	0	0	0
13.	Refunds, Percent of Advances	21,866	24,537	22,446	24,537	22,912	22,912	22,912	22,912	22,912
14.	END OF YEAR BALANCE	331,858	307,321	284,875	260,338	237,426	214,514	191,602	168,690	145,778
15.	AVERAGE FOR YEAR, GROSS-UP 1987 and LATER	342,791	319,590	296,098	272,607	248,882	225,970	203,058	180,146	157,234
16.	AVERAGE ADVANCES FOR CONSTRUCTION FOR RATE BASE	8,123,869	7,865,184	7,566,432	7,523,352	8,175,596	8,613,341	8,395,329	8,186,095	7,978,187

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
CONTRIBUTIONS IN AID OF CONSTRUCTION, DOLLARS

TABLE 8-4

Line Number	Description	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
CONTRIBUTIONS IN AID OF CONSTRUCTION										
<u>GROSS CONTRIBUTIONS, DEPRECIABLE</u>										
1.	BEGINNING OF YEAR BALANCE	32,934,635	33,914,888	34,385,171	35,411,338	35,913,311	36,751,317	38,912,307	39,975,822	40,025,822
2.	Additions During Year	980,253	470,283	1,026,167	501,973	838,006	2,160,990	1,063,515	50,000	50,000
3.	Adjustments During Year	0	0	0	0	0	0	0	0	0
4.	END OF YEAR BALANCE	33,914,888	34,385,171	35,411,338	35,913,311	36,751,317	38,912,307	39,975,822	40,025,822	40,075,822
5.	AVERAGE OF YEAR	33,424,761	34,150,029	34,898,254	35,662,324	36,332,314	37,831,812	39,444,065	40,000,822	40,050,822
<u>DEPRECIATION CHARGED TO CONTRIBUTIONS</u>										
6.	BEGINNING OF YEAR BALANCE	18,319,888	19,399,412	20,407,894	21,432,897	22,551,626	23,856,440	24,896,815	25,981,527	27,081,550
7.	Composite Depreciation Rate	3.230%	2.953%	2.937%	3.137%	3.591%	2.750%	2.750%	2.750%	2.750%
8.	Charged During Year	1,079,524	1,008,482	1,025,003	1,118,729	1,304,814	1,040,375	1,084,712	1,100,023	1,101,398
9.	END OF YEAR BALANCE	19,399,412	20,407,894	21,432,897	22,551,626	23,856,440	24,896,815	25,981,527	27,081,550	28,182,948
10.	AVERAGE FOR YEAR	18,859,650	19,903,653	20,920,396	21,992,262	23,204,033	24,376,628	25,439,171	26,531,539	27,632,249
11.	NET DEPRECIABLE CONTRIBUTIONS, AVERAGE FOR YEAR	14,565,111	14,246,376	13,977,858	13,670,062	13,128,281	13,455,184	14,004,894	13,469,283	12,418,573
12.	NON-DEPRECIABLE CONTRIBUTIONS, AVERAGE FOR YEAR	262,790	262,790	262,790	262,790	262,790	262,790	262,790	262,790	262,790
13.	CONTRIBUTIONS IN AID OF CONSTRUCTION FOR RATE BASE	14,827,901	14,509,166	14,240,648	13,932,852	13,391,071	13,717,974	14,267,684	13,732,073	12,681,363

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
INVESTMENT TAX CREDIT (ITC), DOLLARS

TABLE 8-5

Line Number	Description	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
1.	BEGINNING OF YEAR BALANCE	89,834	72,795	62,078	51,361	40,644	29,927	19,210	8,493	0
2.	Addition During the Year	0	0	0	0	0	0	0	0	0
3.	Amortization for the Year	17,039	10,717	10,717	10,717	10,717	10,717	10,717	8,493	0
4.	END OF YEAR BALANCE	72,795	62,078	51,361	40,644	29,927	19,210	8,493	0	0
5.	AVERAGE ITC BALANCE	81,315	67,437	56,720	46,003	35,286	24,569	13,852	4,247	0

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
COMPUTATION OF DEFERRED INCOME TAXES ASSOCIATED WITH TAXABLE ADVANCES FOR CONSTRUCTION, DOLLARS

TABLE 8-6 (1)

Line Number	Description	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
1.	Accumulated Deferred Income Taxes for Advances for Construction, Balance B.O.Y.	(69,103)	(69,987)	(65,030)	(60,073)	(89,246)	(86,798)	(84,524)	(82,167)	(79,727)
2.	Addition State	(1,731)	0	0	(10,364)	(980)	(980)	(980)	(980)	(980)
3.	Federal	(4,110)	0	0	(24,619)	(2,327)	(2,327)	(2,327)	(2,327)	(2,327)
4.	Timing Difference: State	407	407	407	660	684	708	732	756	780
5.	Federal	4,550	4,550	4,550	5,150	5,071	4,873	4,932	4,991	5,001
6.	Total	(884)	4,957	4,957	(29,173)	2,448	2,274	2,357	2,440	2,474
7.	Accumulated Deferred Taxes, Balance End of Year	(69,987)	(65,030)	(60,073)	(89,246)	(86,798)	(84,524)	(82,167)	(79,727)	(77,253)
8.	AVERAGE DEFERRED INCOME TAXES FOR ADVANCES FOR CONSTRUCTION	(69,545)	(67,509)	(62,552)	(74,660)	(88,022)	(85,661)	(83,346)	(80,947)	(78,490)
State - Activity										
9.	Advances Gross-Up - 1992	37	37	37	37	37	37	37	37	37
10.	Advances Gross-Up - 1993	0	0				0	0	0	0
11.	Advances Gross-Up - 1994	93	93	93	93	93	93	93	93	93
12.	Advances Gross-Up - 1995	0	0	0	0	0	0	0	0	0
13.	Advances Gross-Up - 1996	6	6	6	6	6	6	6	6	6
14.	Advances Gross-Up - 2018	183	183	183	183	183	183	183	183	183
15.	Advances Gross-Up - 2019	45	45	45	45	45	45	45	45	45
16.	Advances Gross-Up - 2020	43	43	43	43	43	43	43	43	43
17.	Advances Gross-Up - 2021 & 2022		0	0	0	0	0	0	0	0
18.	Advances Gross-Up - 2023				253	253	253	253	253	253
19.	Advances Gross-Up - 2024					24	24	24	24	24
20.	Advances Gross-Up - 2025						24	24	24	24
21.	Advances Gross-Up - 2026							24	24	24
22.	Advances Gross-Up - 2027								24	24
23.	Advances Gross-Up - 2028									24
24.	Total Activity	407	407	407	660	684	708	732	756	780
25.	Advances Gross-Up - Addition									
Ending Balance										
26.	Advances Gross-Up - 1992	401	364	327	290	253	216	179	142	105
27.	Advances Gross-Up - 1993	0	0	0	0	0	0	0	0	0
28.	Advances Gross-Up - 1994	1,193	1,100	1,007	914	821	728	635	542	449
29.	Advances Gross-Up - 1995	0	0	0	0	0	0	0	0	0
30.	Advances Gross-Up - 1996	76	70	64	58	52	46	40	34	28
31.	Advances Gross-Up - 2018	6,786	6,603	6,420	6,237	6,054	5,871	5,688	5,505	5,322
32.	Advances Gross-Up - 2019	1,703	1,658	1,613	1,568	1,523	1,478	1,433	1,388	1,343
33.	Advances Gross-Up - 2020	1,688	1,645	1,602	1,559	1,516	1,473	1,430	1,387	1,344
34.	Advances Gross-Up - 2021 & 2022	0	0	0	0	0	0	0	0	0
35.	Advances Gross-Up - 2023				10,111	9,858	9,605	9,352	9,099	8,846
36.	Advances Gross-Up - 2024					956	932	908	884	860
37.	Advances Gross-Up - 2025						956	932	908	884
38.	Advances Gross-Up - 2026							956	932	908
39.	Advances Gross-Up - 2027								956	932
40.	Advances Gross-Up - 2028									956
		11,847	11,440	11,033	20,737	21,033	21,305	21,553	21,777	21,977

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
COMPUTATION OF DEFERRED INCOME TAXES ASSOCIATED WITH TAXABLE ADVANCES FOR CONSTRUCTION (Continued), DOLLARS

TABLE 8-6 (2)

Line Number	Description	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
Federal										
<u>Activity</u>										
1.	Advances Gross-Up - 1987	106	106	106	106	106	106	106	106	60
2.	Advances Gross-Up - 1988	395	395	395	395	257	0	0	0	0
3.	Advances Gross-Up - 1989	1,198	1,198	1,198	1,198	1,198	1,198	1,198	1,198	1,195
4.	Advances Gross-Up - 1990	129	129	129	129	129	129	129	129	129
5.	Advances Gross-Up - 1991	221	221	221	221	221	221	221	221	221
6.	Advances Gross-Up - 1992	305	305	305	305	305	305	305	305	305
7.	Advances Gross-Up - 1993	714	714	714	714	714	714	714	714	714
8.	Advances Gross-Up - 1994	592	592	592	592	592	592	592	592	592
9.	Advances Gross-Up - 1995	0	0	0	0	0	0	0	0	0
10.	Advances Gross-Up - 1996	47	47	47	47	47	47	47	47	47
11.	Advances Gross-Up - 2018	411	411	411	411	411	411	411	411	411
12.	Advances Gross-Up - 2019	101	101	101	101	101	101	101	101	101
13.	Advances Gross-Up - 2020	331	331	331	331	331	331	331	331	331
14.	Advances Gross-Up - 2021 & 2022		0	0	0	0	0	0	0	0
15.	Advances Gross-Up - 2023				600	600	600	600	600	600
16.	Advances Gross-Up - 2024					59	59	59	59	59
17.	Advances Gross-Up - 2025						59	59	59	59
18.	Advances Gross-Up - 2026							59	59	59
19.	Advances Gross-Up - 2027								59	59
20.	Advances Gross-Up - 2028									59
21.		4,550	4,550	4,550	5,150	5,071	4,873	4,932	4,991	5,001
<u>Ending Balance</u>										
22.	Advances Gross-Up - 1987	802	696	590	484	378	272	166	60	0
23.	Advances Gross-Up - 1988	1,442	1,047	652	257	0	0	0	0	0
24.	Advances Gross-Up - 1989	9,581	8,383	7,185	5,987	4,789	3,591	2,393	1,195	0
25.	Advances Gross-Up - 1990	1,147	1,018	889	760	631	502	373	244	115
26.	Advances Gross-Up - 1991	2,194	1,973	1,752	1,531	1,310	1,089	868	647	426
27.	Advances Gross-Up - 1992	3,339	3,034	2,729	2,424	2,119	1,814	1,509	1,204	899
28.	Advances Gross-Up - 1993	8,569	7,855	7,141	6,427	5,713	4,999	4,285	3,571	2,857
29.	Advances Gross-Up - 1994	7,687	7,095	6,503	5,911	5,319	4,727	4,135	3,543	2,951
30.	Advances Gross-Up - 1995	0	0	0	0	0	0	0	0	0
31.	Advances Gross-Up - 1996	693	646	599	552	505	458	411	364	317
32.	Advances Gross-Up - 2018	15,175	14,764	14,353	13,942	13,531	13,120	12,709	12,298	11,887
33.	Advances Gross-Up - 2019	3,811	3,710	3,609	3,508	3,407	3,306	3,205	3,104	3,003
34.	Advances Gross-Up - 2020	4,009	3,678	3,347	3,016	2,685	2,354	2,023	1,692	1,361
35.	Advances Gross-Up - 2021 & 2022	0	0	0	0	0	0	0	0	0
36.	Advances Gross-Up - 2023				24,019	23,419	22,819	22,219	21,619	21,019
37.	Advances Gross-Up - 2024					2,268	2,209	2,150	2,091	2,032
38.	Advances Gross-Up - 2025						2,268	2,209	2,150	2,091
39.	Advances Gross-Up - 2026							2,268	2,209	2,150
40.	Advances Gross-Up - 2027								2,268	2,209
41.	Advances Gross-Up - 2028									2,268
42.		58,449	53,899	49,349	68,818	66,074	63,528	60,923	58,259	55,585

TOTAL COMPANY
COMPUTATION OF DEFERRED INCOME TAXES ASSOCIATED WITH TAXABLE CONTRIBUTIONS IN AID OF CONSTRUCTION, DOLLARS

TABLE 8-7 (1)

Line Number	Description	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
1.	Accumulated Deferred Income Taxes for Contribution in Aid of Construction, Balance B.O.Y.	(32,699)	(65,311)	(80,961)	(82,671)	(83,404)	(81,660)	(846,427)	(1,189,639)	(1,157,073)
2.	Addition State	(11,125)	(5,914)	(1,597)	(1,334)	(564)	(232,256)	(114,303)	(5,374)	(5,374)
3.	Federal	(24,284)	(12,909)	(3,486)	(2,912)	(1,241)	(551,740)	(271,535)	(12,766)	(12,766)
4.	Activity: State	879	997	1,060	1,086	1,097	5,742	12,673	15,067	15,282
5.	Federal	1,918	2,176	2,313	2,427	2,452	13,487	29,952	35,638	36,149
6.	Total	(32,612)	(15,650)	(1,710)	(733)	1,744	(764,767)	(343,212)	32,565	33,291
7.	Accumulated Deferred Taxes, Balance End of Year	(65,311)	(80,961)	(82,671)	(83,404)	(81,660)	(846,427)	(1,189,639)	(1,157,073)	(1,123,782)
8.	AVERAGE DEFERRED INCOME TAXES FOR C.I.A.C.	(49,005)	(73,136)	(81,816)	(83,037)	(82,532)	(464,043)	(1,018,033)	(1,173,356)	(1,140,428)
9.	State - Activity									
10.	CIAC Gross-Up - 2018	199	199	199	199	199	199	199	199	199
11.	CIAC Gross-Up - 2019	244	244	244	244	244	244	244	244	244
12.	CIAC Gross-Up - 2020	436	436	436	436	436	436	436	436	436
13.	CIAC Gross-Up - 2021		118	118	118	118	118	118	118	118
14.	CIAC Gross-Up - 2022			63	63	63	63	63	63	63
15.	CIAC Gross-Up - 2023				26	26	26	26	26	26
16.	CIAC Gross-Up - 2024					11	11	11	11	11
17.	CIAC Gross-Up - 2025						4,645	9,290	9,290	9,290
18.	CIAC Gross-Up - 2026							2,286	4,572	4,572
19.	CIAC Gross-Up - 2027								107	215
20.	CIAC Gross-Up - 2028									107
21.		879	997	1,060	1,086	1,097	5,742	12,673	15,067	15,282
22.	<u>Ending Balance</u>									
22.	CIAC Gross-Up - 2018	4,471	4,272	4,073	3,874	3,675	3,476	3,277	3,078	2,879
23.	CIAC Gross-Up - 2019	5,731	5,487	5,243	4,999	4,755	4,511	4,267	4,023	3,779
24.	CIAC Gross-Up - 2020	10,689	10,253	9,817	9,381	8,945	8,509	8,073	7,637	7,201
25.	CIAC Gross-Up - 2021		5,796	5,678	5,560	5,442	5,324	5,206	5,088	4,970
26.	CIAC Gross-Up - 2022			1,534	1,471	1,408	1,345	1,282	1,219	1,156
27.	CIAC Gross-Up - 2023				1,308	1,282	1,256	1,230	1,204	1,178
28.	CIAC Gross-Up - 2024					553	542	531	520	509
29.	CIAC Gross-Up - 2025						227,611	218,321	209,031	199,740
30.	CIAC Gross-Up - 2026							112,017	107,445	102,873
31.	CIAC Gross-Up - 2027								5,266	5,051
32.	CIAC Gross-Up - 2028									5,266
33.		20,891	25,808	26,345	26,593	26,060	252,574	354,204	344,511	334,603

TOTAL COMPANY
 COMPUTATION OF DEFERRED INCOME TAXES ASSOCIATED WITH TAXABLE CONTRIBUTIONS IN AID OF CONSTRUCTION, DOLLARS (Continued)

TABLE 8-7 (2)

Line Number	Description	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
Federal - Activity										
1.	CIAC Gross-Up - 2018	434	434	434	434	434	434	434	434	434
2.	CIAC Gross-Up - 2019	532	532	532	532	532	532	532	532	532
3.	CIAC Gross-Up - 2020	952	952	952	952	952	952	952	952	952
4.	CIAC Gross-Up - 2021		258	258	258	258	258	258	258	258
5.	CIAC Gross-Up - 2022			137	137	137	137	137	137	137
6.	CIAC Gross-Up - 2023				114	114	114	114	114	114
7.	CIAC Gross-Up - 2024					25	25	25	25	25
8.	CIAC Gross-Up - 2025						11,035	22,070	22,070	22,070
9.	CIAC Gross-Up - 2026							5,431	10,861	10,861
10.	CIAC Gross-Up - 2027								255	511
11.	CIAC Gross-Up - 2028									255
12.		1,918	2,176	2,313	2,427	2,452	13,487	29,952	35,638	36,149
<u>Ending Balance</u>										
13.	CIAC Gross-Up - 2018	9,760	9,326	8,892	8,458	8,024	7,590	7,156	6,722	6,288
14.	CIAC Gross-Up - 2019	12,511	11,979	11,447	10,915	10,383	9,851	9,319	8,787	8,255
15.	CIAC Gross-Up - 2020	23,332	22,380	21,428	20,476	19,524	18,572	17,620	16,668	15,716
16.	CIAC Gross-Up - 2021		12,651	12,393	12,135	11,877	11,619	11,361	11,103	10,845
17.	CIAC Gross-Up - 2022			3,349	3,212	3,075	2,938	2,801	2,664	2,527
18.	CIAC Gross-Up - 2023				2,798	2,684	2,570	2,456	2,342	2,228
19.	CIAC Gross-Up - 2024					1,216	1,191	1,166	1,141	1,116
20.	CIAC Gross-Up - 2025						540,705	518,635	496,566	474,496
21.	CIAC Gross-Up - 2026							266,104	255,242	244,381
22.	CIAC Gross-Up - 2027								12,511	12,000
23.	CIAC Gross-Up - 2028									12,511
24.		45,603	56,336	57,509	57,994	56,783	595,036	836,618	813,746	790,363

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
COMPUTATION OF DEFERRED REVENUES ASSOCIATED WITH TAXABLE CONTRIBUTIONS IN AID OF CONSTRUCTION (C.I.A.C.), DOLLARS

TABLE 8-8

Line Number	Description	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
DEFERRED REVENUES - CONTRIBUTIONS IN AID OF CONSTRUCTION										
1.	Accumulated Deferred Revenues, Beginning Of Year Balance	114,895	219,422	251,129	235,451	223,247	204,121	184,995	165,869	146,743
2.	Additional Deferred Revenues	124,069	67,271	17,808	14,880	6,454	6,454	6,454	6,454	6,454
3.	Amortization of Deferred Revenues	(19,542)	(35,564)	(33,486)	(27,084)	(25,580)	(25,580)	(25,580)	(25,580)	(25,580)
4.	Accumulated Deferred Revenues, End Of Year Balance	219,422	251,129	235,451	223,247	204,121	184,995	165,869	146,743	127,617
5.	UNAMORTIZED DEFERRED REVENUES, C.I.A.C., AVERAGE FOR YEAR	167,159	235,276	243,290	229,349	213,684	194,558	175,432	156,306	137,180

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
COMPUTATION OF ACCUMULATED DEFERRED TAXES ASSET RELATED TO CONTRIBUTION IN AID OF CONSTRUCTION (C.I.A.C.) UTILITY PLANT, DOLLARS

TABLE 8-9 (1)

Line Number	Description	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
COMPUTATION OF C.I.A.C. UTILITY PLANT DEFERRED TAX ASSET										
1.	C.I.A.C. Deferred Tax Asset, Beginning of Year Balance	(162,780)	(331,070)	(398,592)	(989,584)	(2,238,670)	(2,102,368)	(2,093,281)	(2,009,369)	(1,858,759)
2.	Addition	(50,823)	(27,557)	(185,204)	(401,409)	(2,698)	(41,225)	(20,288)	(954)	(954)
3.	State									
	Federal	(133,394)	(65,463)	(439,964)	(953,574)	(6,408)	(97,932)	(48,196)	(2,266)	(2,266)
4.	Less Amortization									
5.	State	3,079	4,647	8,333	20,633	28,683	29,561	30,791	31,216	31,254
6.	Federal	12,848	20,851	25,843	85,264	116,724	118,683	121,605	122,614	122,705
7.	TOTAL	(168,290)	(67,522)	(590,992)	(1,249,086)	136,301	9,087	83,912	150,611	150,740
7.	C.I.A.C. Gross-Up, End of Year Balance	(331,070)	(398,592)	(989,584)	(2,238,670)	(2,102,368)	(2,093,281)	(2,009,369)	(1,858,759)	(1,708,019)
8.	AVERAGE C.I.A.C. GROSS-UP FOR RATE BASE	(246,925)	(364,831)	(694,088)	(1,614,127)	(2,170,519)	(2,097,825)	(2,051,325)	(1,934,064)	(1,783,389)
			265,671							
State - Activity										
9.	CIAC Utility Plant Gross-Up - 2018	926	926	926	926	926	926	926	926	926
10.	CIAC Utility Plant Gross-Up - 2019	1,136	1,136	568	1,136	1,136	1,136	1,136	1,136	1,136
11.	CIAC Utility Plant Gross-Up - 2020	1,016	2,033	2,033	2,033	2,033	2,033	2,033	2,033	2,033
12.	CIAC Utility Plant Gross-Up - 2021		551	1,102	1,102	1,102	1,102	1,102	1,102	1,102
13.	CIAC Utility Plant Gross-Up - 2022			3,704	7,408	7,408	7,408	7,408	7,408	7,408
14.	CIAC Utility Plant Gross-Up - 2023				8,028	16,025	16,025	16,025	16,025	16,025
15.	CIAC Utility Plant Gross-Up - 2024					53	106	106	106	106
16.	CIAC Utility Plant Gross-Up - 2025						824	1,649	1,649	1,649
17.	CIAC Utility Plant Gross-Up - 2026							406	812	812
18.	CIAC Utility Plant Gross-Up - 2027								19	38
19.	CIAC Utility Plant Gross-Up - 2028									19
20.		3,079	4,647	8,333	20,633	28,683	29,561	30,791	31,216	31,254
Ending Balance										
21.	CIAC Utility Plant Gross-Up - 2018	20,836	19,910	18,984	18,058	17,132	16,206	15,280	14,354	13,428
22.	CIAC Utility Plant Gross-Up - 2019	26,706	25,570	25,002	23,865	22,729	21,592	20,456	19,319	18,183
23.	CIAC Utility Plant Gross-Up - 2020	49,807	47,774	45,741	43,708	41,675	39,642	37,609	35,576	33,543
24.	CIAC Utility Plant Gross-Up - 2021		27,006	25,904	24,802	23,700	22,598	21,496	20,394	19,292
25.	CIAC Utility Plant Gross-Up - 2022			181,500	174,092	166,684	159,276	151,868	144,460	137,052
26.	CIAC Utility Plant Gross-Up - 2023				393,381	377,356	361,331	345,306	329,281	313,256
27.	CIAC Utility Plant Gross-Up - 2024					2,645	2,539	2,433	2,327	2,221
28.	CIAC Utility Plant Gross-Up - 2025						40,400	38,751	37,102	35,453
29.	CIAC Utility Plant Gross-Up - 2026							19,883	19,071	18,260
30.	CIAC Utility Plant Gross-Up - 2027								935	897
31.	CIAC Utility Plant Gross-Up - 2028									935
32.		97,349	120,260	297,130	677,906	651,920	663,584	653,081	622,819	592,519

SUBURBAN WATER SYSTEMS
TOTAL COMPANY

TABLE 8-9 (2)

COMPUTATION OF ACCUMULATED DEFERRED TAXES ASSET RELATED TO CONTRIBUTION IN AID OF CONSTRUCTION (C.I.A.C.) UTILITY PLANT, DOLLARS (Continued)

Line Number	Description	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
Federal - Activity										
1.	CIAC Utility Plant Gross-Up - 2018	926	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006
2.	CIAC Utility Plant Gross-Up - 2019	1,136	2,461	2,461	2,461	2,461	2,461	2,461	2,461	2,461
3.	CIAC Utility Plant Gross-Up - 2020	15,075	15,075	4,402	4,402	4,402	4,402	4,402	4,402	4,402
4.	CIAC Utility Plant Gross-Up - 2021		1,309	8,174	2,387	2,387	2,387	2,387	2,387	2,387
5.	CIAC Utility Plant Gross-Up - 2022			8,800	54,936	16,043	16,043	16,043	16,043	16,043
6.	CIAC Utility Plant Gross-Up - 2023				19,072	89,300	89,300	89,300	89,300	89,300
7.	CIAC Utility Plant Gross-Up - 2024					125	125	125	125	125
8.	CIAC Utility Plant Gross-Up - 2025						1,959	3,917	3,917	3,917
9.	CIAC Utility Plant Gross-Up - 2026							964	1,928	1,928
10.	CIAC Utility Plant Gross-Up - 2027								45	91
11.	CIAC Utility Plant Gross-Up - 2028									45
12.		17,138	20,851	25,843	85,264	116,724	118,683	121,605	122,614	122,705
<u>Ending Balance</u>										
13.	CIAC Utility Plant Gross-Up - 2018	45,024	43,018	41,012	39,006	37,000	34,994	32,988	30,982	28,976
14.	CIAC Utility Plant Gross-Up - 2019	57,716	55,255	52,794	50,333	47,872	45,411	42,950	40,489	38,028
15.	CIAC Utility Plant Gross-Up - 2020	118,319	103,244	98,842	94,440	90,038	85,636	81,234	76,832	72,430
16.	CIAC Utility Plant Gross-Up - 2021		64,154	55,980	53,593	51,206	48,819	46,432	44,045	41,658
17.	CIAC Utility Plant Gross-Up - 2022			431,164	376,228	360,185	344,142	328,099	312,056	296,013
18.	CIAC Utility Plant Gross-Up - 2023				934,502	845,202	755,902	666,602	577,302	488,002
19.	CIAC Utility Plant Gross-Up - 2024					6,283	6,158	6,033	5,908	5,783
20.	CIAC Utility Plant Gross-Up - 2025						95,973	92,056	88,139	84,221
21.	CIAC Utility Plant Gross-Up - 2026							47,232	45,305	43,377
22.	CIAC Utility Plant Gross-Up - 2027								2,221	2,130
23.	CIAC Utility Plant Gross-Up - 2028									2,221
24.		221,059	265,671	679,792	1,548,102	1,437,786	1,417,035	1,343,626	1,223,278	1,102,839

SUBURBAN WATER SYSTEMS
PARENT COMPANY'S (NEXUS) RATE BASE

For projects' explanation, please see Direct Testimony of Jeff Farney
For allocation percentage, please see Direct Testimony for Parent Company

RB-1

Line No.	DESCRIPTION	Recorded					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
1.	Utility Plant in Service, Average for Year	6,508,605	9,033,987	12,788,490	15,094,217	15,094,217	15,094,217	18,741,652	35,840,895	52,189,892
2.	Total Rate Base before Deduction	6,508,605	9,033,987	12,788,490	15,094,217	15,094,217	15,094,217	18,741,652	35,840,895	52,189,892
	<u>Less Deduction from Rate Base:</u>									
3.	Average Reserve for Depreciation	779,733	1,565,436	3,052,698	5,093,553	6,771,429	8,060,282	9,286,798	9,965,106	10,822,179
4.	Average Accumulated Deferred Income Taxes - Depreciation Timing Differences	430,117	677,695	889,670	1,053,315	1,160,515	1,164,393	1,052,084	1,705,058	3,475,317
5.	Total Deduction From Rate Base	1,209,851	2,243,130	3,942,368	6,146,868	7,931,944	9,224,676	10,338,882	11,670,164	14,297,497
6.	TOTAL ALLOCABLE PARENT COMPANY'S RATE BASE	5,298,755	6,790,857	8,846,122	8,947,349	7,162,274	5,869,542	8,402,770	24,170,731	37,892,396
7.	Allocation Percentage	44.80%	42.50%	42.50%	42.50%	33.98%	32.06%	15.86%		
8.	Allocation Percentage per A.26-01-								16.09%	16.09%
9.	Allocated Parent Company's Rate Base to SWS	2,373,842	2,886,114	3,759,602	3,802,623	2,433,741	1,882,060	1,332,679	3,888,939	6,096,681

SUBURBAN WATER SYSTEMS
PARENT COMPANY'S (NEXUS) COMPANY FUNDED PROJECTS

RB-1A

Line No.	DESCRIPTION	Hardware	Software
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Estimated Year		Test Year	
2025	2026	2027	2028

NEXUS (PARENT CO.) FUNDED PROJECT

	<u>Estimated Year 2025</u>	\$8,672,219							
1.	Cyber Security		794,966	975,030		1,769,997			
2.	Customer Engagement		182,500	1,953,406		2,135,906			
3.	Shared Services - Applications		0	1,976,000		1,976,000			
4.	Technology Infrastructure Upgrades		1,626,709	1,163,608		2,790,317			
5.			<u>2,604,175</u>	<u>6,068,044</u>					
	<u>Estimated Year 2026</u>	\$7,598,822							
6.	Cyber Security		687,701	759,067		1,446,769			
7.	Customer Engagement		610,762	2,188,513		2,799,276			
8.	Shared Services - Applications		0	1,071,851		1,071,851			
9.	Technology Infrastructure Upgrades		1,534,862	746,064		2,280,926			
10.			<u>2,833,325</u>	<u>4,765,496</u>					
	<u>Test Year 2027</u>	\$7,934,339							
11.	Cyber Security		688,585	624,689			1,313,274		
12.	Customer Engagement		589,769	2,882,555			3,472,325		
13.	Shared Services - Applications		0	755,278			755,278		
14.	Technology Infrastructure Upgrades		1,747,594	645,869			2,393,462		
15.			<u>3,025,948</u>	<u>4,908,391</u>					
	<u>Escalation Year 2028</u>	\$6,035,807							
16.	Cyber Security		688,557	626,886			1,315,443		
17.	Customer Engagement		589,769	1,157,539			1,747,308		
18.	Shared Services - Applications		0	755,278			755,278		
19.	Technology Infrastructure Upgrades		1,576,362	641,417			2,217,779		
20.			<u>2,854,689</u>	<u>3,181,119</u>					
21.	Total Parent Company's IT Expenditures					8,672,219	7,598,822	7,934,339	6,035,807

SUBURBAN WATER SYSTEMS
 NEXUS DEPRECIATION ACCRUAL AND RESERVE

RB-1C

Line No.	DESCRIPTION	Recorded					Estimated Year		Test Year		
		2020	2021	2022	2023	2024	2025	2026	2027	2028	
Depreciation Rates:		Per D.24-12-030/D.25-07-012									
1.	Hardware						7.686%	7.686%	2.160%	2.160%	
2.	Software						8.345%	8.345%	4.110%	4.110%	
Depreciation Accrual											
3.	Hardware	257,045	149,349	579,473	506,819	394,800	336,226	440,756	241,154	358,664	
4.	Software	412,717	753,271	1,493,408	1,502,010	952,123	894,558	1,085,445	1,014,198	1,462,547	
5.		<u>669,762</u>	<u>902,620</u>	<u>2,072,881</u>	<u>2,008,829</u>	<u>1,346,923</u>	<u>1,230,784</u>	<u>1,526,200</u>	<u>1,255,352</u>	<u>1,821,211</u>	
Depreciation Reserve:											
6.	Beginning of Year Balance	444,852	1,114,614	2,016,257	4,089,138	6,097,967	7,444,890	8,675,674	9,897,922	10,032,290	
Add:											
7.	Depreciation Accrual	669,762	902,620	2,072,881	2,008,829	1,346,923	1,230,784	1,526,200	1,255,352	1,821,211	
8.	Salvage					0	0	0	0	0	
Less:											
9.	Retirement	0	(977)	0	0	0	0	(303,953)	(1,120,984)	(241,432)	
10.	Cost of Removal					0	0	0	0	0	
11.	Depreciation Reserve End of Year Balance	<u>1,114,614</u>	<u>2,016,257</u>	<u>4,089,138</u>	<u>6,097,967</u>	<u>7,444,890</u>	<u>8,675,674</u>	<u>9,897,922</u>	<u>10,032,290</u>	<u>11,612,069</u>	
12.	Average Depreciation Reserve for Rate Base	<u>779,733</u>	<u>1,565,436</u>	<u>3,052,698</u>	<u>5,093,553</u>	<u>6,771,429</u>	<u>8,060,282</u>	<u>9,286,798</u>	<u>9,965,106</u>	<u>10,822,179</u>	

■ Chapter - Results of Operations, Taxes

Taxes include ad valorem taxes, payroll taxes, and state and federal taxes on income. Taxes for recorded years 2020 through 2024 and test years ending December 31, 2027 and 2028 as computed in this chapter are shown in Table 9-1.

9.1 Ad Valorem Taxes

Ad valorem taxes shown in Table 9-1 are tax payments to be made during the calendar year indicated, as computed in Table 9-2. This computation is based on the procedure used for water utilities by the Los Angeles County Tax Assessor.

Utility plant figures used in Table 9-2 were developed as described in Chapter 6. Depreciation reserve figures used were computed as described in Chapter 7. Advances for construction, contributions in aid of construction, construction work in progress, and materials and supplies figures used in this Table were developed as described in Chapter 8.

9.2 Payroll Taxes

Payroll taxes include state unemployment insurance, federal unemployment insurance, and federal social security taxes, as shown on Table 9-1.

9.3 Taxes on Income

State and Federal income taxes at present rates as shown in Table 9-1 were computed as shown in Table 9-4 using tax rates and provisions effective in the years shown.

The Tax Cuts and Jobs Act's (TCJA) impact on AFDIT has been considered with regard to the flowback of excess deferred income taxes beginning in 2021. Flowback for years 2021, 2022 and 2023 was considered in D.19-05-029 requiring annual advice letter treatment.

9.4 Bonus Depreciation

Suburban's accounting records reflect zero bonus depreciation in years 2020 through 2024, which is consistent with the consolidated tax returns of Suburban's parent company, Nexus Water Group (formerly SouthWest Water Company), which shows zero bonus depreciation having been deducted in its consolidated 2020 through 2024 consolidated tax returns. As a result, neither Suburban nor its parent company gained any savings from bonus depreciation in these years.

9.5 California Corporate Franchise Tax Deduction

In keeping with Commission precedent, current Commission policy, and the Internal Revenue Service, Suburban used the 2026 estimated CCFT to calculate the deduction used to reduce Suburban's 2027 gross federal taxable amount. Similarly, Suburban used the 2027 estimated CCFT to calculate the deduction used to reduce Suburban's 2028 gross federal taxable amount.

There is substantial Commission precedent for this CCFT calculation methodology. In D.89-11-058, the Commission examined issues related to the timing of the federal income tax deduction for CCFT. The Commission concluded, “The prior year CCFT number should be used in future rate-making calculations of federal income tax expense.”²

Over the years, the Commission has repeatedly affirmed the use of prior year CCFT to calculate the current year federal income tax deduction, both before and after the enactment of AB 1843. For example, in D.92-12-063, the Commission concluded, “Updating 1993 attrition calculations to include 1992 CCFT amounts as a 1993 Federal income tax deduction complies with D.89-11-058.”³ In D.97-04-032, the Commission noted, “D.89-11-058 requires the test year federal income tax expense calculation to utilize the prior year's, not current year's, state income tax expense.”⁴

In 2010 Golden State Water Company general rate case decision, the Commission affirmed that utilities were still required to calculate the current year federal income tax deduction using the prior year CCFT.⁵

In 1990, the supervisor of the Commission’s Large Water Section issued a memorandum that set the Commission’s policy for water utility calculation of the CCFT deduction.⁶ In keeping with D.89-11-058, the memorandum states, “The CCFT for the prior year will be used in the determination of federal income tax expense.”⁷ Furthermore, in 2003, the IRS issued a revenue ruling addressing the issue of when a taxpayer using the accrual method of accounting incurs a liability for CCFT for federal income tax purposes.⁸ The IRS held that the prior year CCFT should be used to calculate the current year federal income tax deduction.⁹

² D.89-11-058, 1998 Cal. PUC LEXIS 710, *3.

³ D.92-12-063, *In the Matter of the Application of Southern California Edison Company (U 338-E) for Authority to Increase its Authorized Level of Base Rate Revenue Under the Electric Revenue Adjustment Mechanism for Service Rendered Beginning January 1, 1992 and to Reflect this Increase in Rates; And Related Matters*, 1992 Cal. PUC LEXIS 893, *17.

⁴ D.97-04-032, *Re Sierra Telephone Company, Inc.*, 1997 Cal. PUC LEXIS 1245, *46 (Finding of Fact 19).

⁵ D.10-11-035, *In the Matter of the Application of Golden State Water Company (U 133 W) for an Order Authorizing it to Increase Rates for Water Service by \$ 20,327,339 or 20.12% in 2010; by \$ 2,646,748 or 2.18% in 2011; and by \$ 4,189,596 or 3.37% in 2012 in its Region II Service Area and to Increase Rates for Water Service by \$ 30,035,914 or 32.67% in 2010; by \$ 1,714,524 or 1.39% in 2011; and by \$ 3,664,223 or 2.92% in 2012 in its Region III Service Area; And Related Matter*, 2010 Cal. PUC LEXIS 495 ("D.10-11-035, 2010 Cal. PUC LEXIS 495")**65-70.

⁶ SUB Exh. 28, CPUC Memorandum to Class A Water Utilities, dated May 10, 1990, p. 1.

⁷ *Id.*

⁸ Rev. Rul. 2003-33, pp. 353-355.

⁹ “For taxable years beginning on or after January 2000, a taxpayer that uses an accrual method of accounting incurs a liability for California franchise tax for federal income tax purposes in the taxable year following the taxable year in which the California franchise tax is incurred under the Cal. Rev. & Tax. Code, as amended.” *Id.*, at pp. 354-355.

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
TAXES AT PRESENT RATES, DOLLARS

TABLE 9-1

Line Number	Description	Composite Payroll Taxes Tax Rate	Recorded Year					Estimated Year		Test Year	
			2020	2021	2022	2023	2024	2025	2026	2027	2028
TAXES OTHER THAN INCOME											
1.	TOTAL CITY AND COUNTY AD VALOREM TAXES		1,943,445	1,953,302	2,170,350	2,706,743	2,787,726	2,865,490	3,001,177	3,072,878	3,498,593
2.	F.I.C.A. Taxes - OASDI & Medicare	7.65%	868,429	915,877	922,342	955,673	1,029,334	1,153,283	1,185,578	1,216,403	1,246,813
3.	F.U.I. Taxes - On The First	\$7,000 0.60%	4,963	28,072	33,709	3,823	6,077	5,754	5,754	5,754	5,754
4.	S.U.I. Taxes - On The First	\$7,000 6.20%	57,418	45,391	67,318	67,419	63,989	59,458	59,458	59,458	59,458
5.	Subtotal F.I.C.A., F.U.I., S.U.I., and E.T.F. Taxes		930,810	989,340	1,023,369	1,026,915	1,099,400	1,218,495	1,250,790	1,281,615	1,312,025
6.	Payroll Taxes Capitalized		(71,325)	(64,757)	(70,540)	(77,757)	(85,243)	(91,143)	(93,559)	(95,865)	(98,139)
7.	SUBTOTAL PAYROLL TAXES		859,485	924,583	952,829	949,158	1,014,157	1,127,352	1,157,231	1,185,750	1,213,886
TOTAL TAXES OTHER THAN INCOME											
8.	TOTAL CITY AND COUNTY AD VALOREM TAXES		1,943,445	1,953,302	2,170,350	2,706,743	2,787,726	2,865,490	3,001,177	3,072,878	3,498,593
9.	TOTAL PAYROLL TAX EXPENSE		859,485	924,583	952,829	949,158	1,014,157	1,127,352	1,157,231	1,185,750	1,213,886
10.	TOTAL TAXES OTHER THAN INCOME		2,802,930	2,877,885	3,123,179	3,655,901	3,801,883	3,992,842	4,158,408	4,258,628	4,712,479
INCOME TAXES											
11.	State Income Tax		1,643,460	1,427,762	1,658,541	1,726,254	1,458,384	720,664	868,111	1,044,467	577,786
12.	Federal Income Tax		3,902,268	3,044,641	3,638,043	3,750,389	3,099,806	1,392,523	1,882,224	1,955,663	754,751
13.	TOTAL INCOME TAXES		5,545,728	4,472,403	5,296,584	5,476,643	4,558,190	2,113,187	2,750,335	3,000,130	1,332,537
14.	TOTAL TAX EXPENSE		8,348,658	7,350,288	8,419,763	9,132,544	8,360,073	6,106,029	6,908,743	7,258,758	6,045,016

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
COMPUTATION OF PAYROLL TAXES CAPITALIZED

WORKSHEET 9-1A

Line Number		<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
1.	CAPITALIZED PAYROLL	\$1,127,654	\$1,159,231	\$1,189,371	\$1,219,106
2.	TOTAL PAYROLL	\$15,075,591	\$15,497,746	\$15,900,688	\$16,298,205
3.	PERCENT OF CAPITALIZED PAYROLL TO TOTAL PAYROLL	7.48%	7.48%	7.48%	7.48%
4.	F.I.C.A. Taxes - OASDI & Medicare	\$1,153,283	\$1,185,578	\$1,216,403	\$1,246,813
5.					
6.	F.U.I. Taxes - On The First \$7,000	\$5,754	\$5,754	\$5,754	\$5,754
7.	S.U.I. Taxes - On The First \$7,000	\$59,458	\$59,458	\$59,458	\$59,458
8.	TOTAL PAYROLL TAXES PRIOR TO CAPITALIZED PAYROLL TAXES	\$1,218,495	\$1,250,790	\$1,281,615	\$1,312,025
9.	PERCENT OF CAPITALIZED PAYROLL TO TOTAL PAYROLL	7.48%	7.48%	7.48%	7.48%
10.	PAYROLL TAXES CAPITALIZED	\$91,143	\$93,559	\$95,865	\$98,139

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
COMPUTATION OF AD VALOREM TAXES, DOLLARS

TABLE 9-2

Line Number	Description	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
1.	Depreciable Utility Plant, Beginning of Year Balance	325,656,422	346,481,442	366,238,682	403,384,891	458,796,316	495,732,152	514,987,033	537,671,207	622,685,467
	Less:									
2.	Depreciation Reserve, Beginning of Year Balance	117,053,746	125,477,658	132,638,298	141,941,521	152,301,822	164,462,664	178,881,189	189,941,706	196,146,684
3.	Advances for Construction x 0.5	72,063	61,586	48,817	38,340	25,815	15,258	3,904	577	0
4.	Contributions in Aid of Construction (Net) A/	14,614,747	14,515,476	13,977,276	13,978,440	13,361,684	12,894,876	14,015,492	13,994,295	12,944,272
	Plus:									
5.	Material and Supplies	530,694	513,036	646,002	843,416	1,144,394	808,435	830,101	852,846	873,485
6.	Land and Land Rights	1,107,108	1,140,553	1,402,770	1,664,987	1,664,987	1,664,987	1,664,987	1,664,987	1,664,987
7.	TOTAL TAXABLE PLANT	195,553,667	208,080,311	221,623,063	249,934,993	295,916,376	320,832,776	324,581,536	336,252,462	416,132,983
8.	TAX RATE, \$ per \$100	0.94%	0.94%	0.93%	0.98%	0.93%	0.93%	0.93%	0.93%	0.93%
9.	AD VALOREM TAXES, FISCAL YEAR	1,843,703	1,948,374	2,061,826	2,438,547	2,747,235	2,983,745	3,018,608	3,127,148	3,870,037
10.	AD VALOREM TAXES, CALENDAR YEAR	1,743,960	1,943,445	1,953,302	2,170,350	2,706,743	2,787,726	2,865,490	3,001,177	3,498,593

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
COMPUTATION OF DEFERRED INCOME TAX EXPENSE AND ACCUMULATED DEFERRED INCOME TAXES, DEPRECIATION TIMING DIFFERENCES, DOLLARS

TABLE 9-3

Line Number	Description	Recorded Year				Estimated Year		Test Year		
		2020	2021	2022	2023	2024	2025	2026	2027	2028
1.	5 Yr MACRS Accrual	3,074,170	3,473,776	3,918,934	4,256,667	4,435,274	3,921,434	3,800,246	4,957,570	5,882,436
2.	7 Yr MACRS Accrual	17,941	11,463	13,254	15,848	21,234	24,731	19,760	16,196	14,766
3.	20 Yr MACRS Accrual	0	0	0	0	0	0	0	0	0
4.	25 Yr MACRS Accrual	7,963,811	8,615,865	9,316,354	10,798,361	12,470,443	13,191,102	13,562,302	15,393,645	18,247,191
5.	Pe-'82 Vintage Plant	0	0	0	0	0	0	0	0	0
6.	Accelerated Cost Recovery Method (ACRS), 1982 and Later Assets	0	0	0	0	0	0	0	0	0
7.	Bonus Depreciation - 25 Year Asset Vintage	0	0	0	0	0	0	0	0	0
8.	Bonus Depreciation - 7 Year Asset Vintage	0	0	0	0	0	0	0	0	0
9.	Bonus Depreciation - 5 Year Asset Vintage	0	0	0	0	0	0	0	0	0
10.	Total Tax Depreciation	11,055,922	12,101,104	13,248,542	15,070,876	16,926,951	17,137,267	17,382,308	20,367,411	24,144,393
11.	Book Depreciation	10,760,350	11,703,622	12,845,173	14,126,770	16,118,724	17,213,538	18,346,129	16,411,049	18,458,395
12.	Timing Difference	295,572	397,482	403,369	944,106	808,227	(76,271)	(963,821)	3,956,362	5,685,998
13.	Federal Tax Rate	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
14.	Increase/(Decrease) In Deferred Taxes	62,070	83,471	84,708	198,262	169,728	(16,017)	(202,402)	830,836	1,194,060
15.	Accumulated Deferred Income Taxes - Depreciation Timing Differences	12,674,112	12,736,182	12,819,653	12,904,361	13,102,623	13,272,350	13,256,333	13,053,931	13,884,767
16.	Average Accumulated Deferred Income Taxes - Depreciation Timing Differences	12,705,147	12,777,917	12,862,007	13,003,492	13,187,486	13,264,342	13,155,132	13,469,349	14,481,797

DEFERRED INCOME TAXES							
	2023	2024	2025	2026	2027	2028	
17.	Deferred Taxes-Dep	13,003,492	13,187,486	13,264,342	13,155,132	13,469,349	14,481,797
18.	Pension reserve	0	0	0	0	0	0
19.	CIAC	(83,037)	(82,532)	(464,043)	(1,018,033)	(1,173,356)	(1,140,428)
20.	Advances	(74,660)	(88,022)	(85,661)	(83,346)	(80,947)	(78,490)
21.		12,845,795	13,016,933	12,714,638	12,053,754	12,215,046	13,262,879
22.	Change		171,138	(302,295)	(660,884)	161,292	1,047,833

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
COMPUTATION OF TAXES ON INCOME AT PRESENT WATER RATES, DOLLARS

TABLE 9-4

Line Number	Description	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
STATE INCOME TAXES										
1.	Water Service Revenues	87,294,483	94,560,997	94,719,797	92,095,838	103,550,794	103,234,417	104,909,005	102,889,002	102,068,733
2.	P.U.C. Reimbursement Fee	1,188,747	1,329,671	1,427,050	801,061	707,503	701,994	713,381	699,645	694,067
3.	Other Water Revenues	180,673	228,691	324,810	389,570	419,324	409,085	410,102	408,075	409,153
4.	Amortization of Deferred Revenues	19,542	35,564	33,486	27,084	25,580	25,580	25,580	25,580	25,580
5.	Total Taxable Operating Revenues	88,683,445	96,154,923	96,505,143	93,313,553	104,703,201	104,371,076	106,058,068	104,022,302	103,197,533
DEDUCTIONS										
6.	Operating Expenses; Less Franchise Expense, Uncollectibles, PUC Reimb. Fee, & CR	50,769,490	59,654,149	55,001,675	48,692,576	60,141,514	67,328,702	65,918,880	62,954,464	63,691,864
7.	CR Reimbursement	(1,026,517)	(1,605,094)	(1,515,703)	(1,139,926)	(1,368,874)	(462,623)	(444,836)	(406,249)	(387,968)
8.	Franchise Expense	1,020,630	1,051,826	1,132,920	1,175,901	1,297,346	1,238,813	1,258,908	1,234,668	1,224,825
9.	Uncollectibles	154,831	114,000	139,875	123,872	556,488	227,116	230,800	226,356	224,551
10.	P.U.C. Reimbursement Fee	1,188,747	1,329,671	1,427,050	801,061	707,503	701,994	713,381	699,645	694,067
11.	Tax Depreciation, State	10,759,353	11,702,625	12,844,176	14,125,773	16,117,727	17,212,541	18,345,132	16,410,052	18,457,398
12.	Taxes Other than Income	2,802,930	2,877,885	3,123,179	3,655,901	3,801,883	3,992,842	4,158,408	4,258,628	4,712,479
13.	Interest Expense	4,432,746	4,889,986	5,602,189	6,362,917	6,964,464	6,044,338	6,200,496	6,999,938	8,217,148
14.	SUBTOTAL, DEDUCTIONS	70,102,211	80,015,048	77,755,360	73,798,076	88,218,050	96,283,723	96,381,169	92,377,502	96,834,363
15.	TAXABLE INCOME, CCFT	18,581,233	16,139,874	18,749,783	19,515,478	16,485,150	8,087,354	9,676,899	11,644,800	6,363,169
16.	CCFT Rate	8.84%	8.84%	8.84%	8.84%	8.84%	8.84%	8.84%	8.84%	8.84%
17.	CURRENT CALIFORNIA CORP. FRANCHISE TAX	1,642,581	1,426,765	1,657,481	1,725,168	1,457,287	714,922	855,438	1,029,400	562,504
18.	Plus Deferred Tax Expense, Taxable Contributions	879	997	1,060	1,086	1,097	5,742	12,673	15,067	15,282
19.	TOTAL STATE INCOME TAX EXPENSE	1,643,460	1,427,762	1,658,541	1,726,254	1,458,384	720,664	868,111	1,044,467	577,786
FEDERAL INCOME TAX										
20.	Taxable Income, CCFT	18,581,233	16,139,874	18,749,783	19,515,478	16,485,150	8,087,354	9,676,899	11,644,800	6,363,169
21.	Plus Add'l Tax Depreciation	997	997	997	997	997	997	997	997	997
22.	Less Prior Year CCFT	0	1,642,581	1,426,765	1,657,481	1,725,168	1,457,287	714,922	2,333,115	2,770,113
23.	TAXABLE INCOME, FEDERAL	18,582,230	14,498,290	17,324,015	17,858,994	14,760,979	6,631,064	8,962,974	9,312,681	3,594,053
24.	Federal Income Tax Rate	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
25.	Federal Income Tax	3,902,268	3,044,641	3,638,043	3,750,389	3,099,806	1,392,523	1,882,224	1,955,663	754,751
26.	Less Investment Tax Credits	0	0	0	0	0	0	0	0	0
27.	CURRENT FEDERAL INCOME TAX	3,902,268	3,044,641	3,638,043	3,750,389	3,099,806	1,392,523	1,882,224	1,955,663	754,751
28.	Plus Deferred Tax Expense, Taxable Contributions	0	0	0	0	0	0	0	0	0
29.	Plus Deferred Tax Expense, Depreciation Timing Differences	0	0	0	0	0	0	0	0	0
30.	Plus Deferred Tax Expense, Deferred Pension Expense	0	0	0	0	0	0	0	0	0
31.	DEFERRED FEDERAL INCOME TAX EXPENSE	0	0	0	0	0	0	0	0	0
32.	TOTAL FEDERAL INCOME TAX EXPENSE	3,902,268	3,044,641	3,638,043	3,750,389	3,099,806	1,392,523	1,882,224	1,955,663	754,751
33.	TOTAL INCOME TAX EXPENSE	5,545,728	4,472,403	5,296,584	5,476,643	4,558,190	2,113,187	2,750,335	3,000,130	1,332,537

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
STATE TAX DEPRECIATION

TABLE 9-5

State Tax Depreciation		Activity										
		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1.	Advances - Utility Plant 1992	523	523	523	523	523	523	523	523	523	523	523
2.	Advances - Utility Plant 1993	9	9	9	9	9	9	9	9	9	9	9
3.	Advances - Utility Plant 1994	254	254	254	254	254	254	254	254	254	254	254
4.	Advances - Utility Plant 1996	75	75	75	75	75	75	75	75	75	75	75
5.	Advances - Utility Plant 1997	0	0	0	0	0	0	0	0	0	0	0
6.	CIAC (Contrib) Gross-Up - 1992	0	0	0	0	0	0	0	0	0	0	0
7.	CIAC (Contrib) Gross-Up - 1993	0	0	0	0	0	0	0	0	0	0	0
8.	CIAC (Contrib) Gross-Up - 1994	0	0	0	0	0	0	0	0	0	0	0
9.	CIAC (Contrib) Gross-Up - 1995	0	0	0	0	0	0	0	0	0	0	0
10.	CIAC (Contrib) Gross-Up - 1996	0	0	0	0	0	0	0	0	0	0	0
11.	CIAC (Contrib) Gross-Up - 1997	0	0	0	0	0	0	0	0	0	0	0
12.	Advances _ Gross-up - 1992	37	37	37	37	37	37	37	37	37	37	37
13.	Advances _ Gross-up - 1993	1	0	0	0	0	0	0	0	0	0	0
14.	Advances _ Gross-up - 1994	93	93	93	93	93	93	93	93	93	93	93
15.	Advances _ Gross-up - 1995	0	0	0	0	0	0	0	0	0	0	0
16.	Advances _ Gross-up - 1996	6	6	6	6	6	6	6	6	6	6	6
17.	Advances _ Gross-up - 1997	0	0	0	0	0	0	0	0	0	0	0
18.		998	997	997	997	997	997	997	997	997	997	997

		Ending Balance, December 31										
		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
19.	Advances - Utility Plant 1992	6,804	6,281	5,758	5,235	4,712	4,189	3,666	3,143	2,620	2,097	1,574
20.	Advances - Utility Plant 1993	114	105	96	87	78	69	60	51	42	33	24
21.	Advances - Utility Plant 1994	3,804	3,550	3,296	3,042	2,788	2,534	2,280	2,026	1,772	1,518	1,264
22.	Advances - Utility Plant 1996	1,265	1,190	1,115	1,040	965	890	815	740	665	590	515
23.	Advances - Utility Plant 1997	0	0	0	0	0	0	0	0	0	0	0
24.	CIAC (Contrib) Gross-Up - 1992	0	0	0	0	0	0	0	0	0	0	0
25.	CIAC (Contrib) Gross-Up - 1993	0	0	0	0	0	0	0	0	0	0	0
26.	CIAC (Contrib) Gross-Up - 1994	0	0	0	0	0	0	0	0	0	0	0
27.	CIAC (Contrib) Gross-Up - 1995	0	0	0	0	0	0	0	0	0	0	0
28.	CIAC (Contrib) Gross-Up - 1996	0	0	0	0	0	0	0	0	0	0	0
29.	CIAC (Contrib) Gross-Up - 1997	0	0	0	0	0	0	0	0	0	0	0
30.	Advances _ Gross-up - 1992	475	438	401	364	327	290	253	216	179	142	105
31.	Advances _ Gross-up - 1993	0	0	0	0	0	0	0	0	0	0	0
32.	Advances _ Gross-up - 1994	1,379	1,286	1,193	1,100	1,007	914	821	728	635	542	449
33.	Advances _ Gross-up - 1995	0	0	0	0	0	0	0	0	0	0	0
34.	Advances _ Gross-up - 1996	88	82	76	70	64	58	52	46	40	34	28
35.	Advances _ Gross-up - 1997	0	0	0	0	0	0	0	0	0	0	0
36.		13,929	12,932	11,935	10,938	9,941	8,944	7,947	6,950	5,953	4,956	3,959

■ Chapter - Summary of Earnings

Operating revenues, operating expenses, and rate base computed in previous chapters integrated at present rates in Table 10-1 and at proposed rates in Table 10-2. Revenues required to provide a fair return on rate base for estimated years 2027 and 2028 are developed in Chapter 11.

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
SUMMARY OF EARNINGS AT PRESENT RATES, DOLLARS

TABLE 10-1

Line Number	Description	Recorded Year					Estimated Year		Test Year	
		2020	2021	2022	2023	2024	2025	2026	2027	2028
SUMMARY OF EARNINGS AT PRESENT RATES										
<u>OPERATING REVENUES, PRESENT RATES</u>										
1.	Water Service Revenues, Less P.U.C. Reimbursement Fee	87,294,483	94,560,997	94,719,797	92,095,838	103,550,794	103,234,417	104,909,005	102,889,002	102,068,733
2.	P.U.C. Reimbursement Fee	1,188,747	1,329,671	1,427,050	801,061	707,503	701,994	713,381	699,645	694,067
3.	Other Water Revenues	180,673	228,691	324,810	389,570	419,324	409,085	410,102	408,075	409,153
4.	Amortization Of Deferred Revenues	19,542	35,564	33,486	27,084	25,580	25,580	25,580	25,580	25,580
5.	TOTAL OPERATING REVENUES, PRESENT RATES	88,683,445	96,154,923	96,505,143	93,313,553	104,703,201	104,371,076	106,058,068	104,022,302	103,197,533
<u>OPERATION EXPENSES</u>										
6.	Payroll Expense	10,780,533	12,472,961	13,113,658	12,786,981	13,791,896	13,948,270	14,338,857	14,711,667	15,079,459
7.	Volume Related Expenses	32,474,649	34,854,260	30,486,943	26,335,303	31,111,119	35,007,843	34,631,403	33,639,840	32,940,561
8.	CR Reimbursement	(1,026,517)	(1,605,094)	(1,515,703)	(1,139,926)	(1,368,874)	(462,623)	(444,836)	(406,249)	(387,968)
9.	Franchise Expense	1,020,630	1,051,826	1,132,920	1,175,901	1,297,346	1,238,813	1,258,908	1,234,668	1,224,825
10.	Uncollectibles	154,831	114,000	139,875	123,872	556,488	227,116	230,800	226,356	224,551
11.	P.U.C. Reimbursement Fee	1,188,747	1,329,671	1,427,050	801,061	707,503	701,994	713,381	699,645	694,067
12.	Other Operating Expenses	7,514,308	12,326,928	11,401,073	9,570,292	15,238,499	18,372,589	16,948,620	14,602,957	15,671,843
13.	Subtotal O & M and A & G Operating Expenses	52,107,182	60,544,552	56,185,816	49,653,484	61,333,976	69,034,002	67,677,133	64,708,884	65,447,339
14.	Depreciation Expense	10,760,350	11,703,622	12,845,173	14,126,770	16,118,724	17,213,538	18,346,129	16,411,049	18,458,395
15.	Payroll Taxes	859,485	924,583	952,829	949,158	1,014,157	1,127,352	1,157,231	1,185,750	1,213,886
16.	Ad Valorem Taxes	1,943,445	1,953,302	2,170,350	2,706,743	2,787,726	2,865,490	3,001,177	3,072,878	3,498,593
17.	Current Income Taxes	5,545,728	4,472,403	5,296,584	5,476,643	4,558,190	2,113,187	2,750,335	3,000,130	1,332,537
18.	TOTAL OPERATION EXPENSES	71,216,190	79,598,462	77,450,752	72,912,799	85,812,773	92,353,569	92,932,006	88,378,691	89,950,750
19.	Net Operating Income	17,467,254	16,556,460	19,054,391	20,400,755	18,890,427	12,017,508	13,126,062	15,643,611	13,246,783
20.	Rate Base	200,576,760	221,266,348	253,492,712	287,914,806	315,134,099	327,516,416	335,977,922	379,296,199	445,251,505
21.	Rate of Return, Percent	8.71%	7.48%	7.52%	7.09%	5.99%	3.67%	3.91%	4.12%	2.98%
<u>FRANCHISE EXPENSE, UNCOLLECTIBLES, & P.U.C. REIMBURSEMENT FEE, PRESENT RATES</u>										
22.	Franchise Expense	1,020,630	1,051,826	1,132,920	1,175,901	1,297,346	1,238,813	1,258,908	1,234,668	1,224,825
23.	Uncollectibles	154,831	114,000	139,875	123,872	556,488	227,116	230,800	226,356	224,551
24.	P.U.C. Reimbursement Fee	1,188,747	1,329,671	1,427,050	801,061	707,503	701,994	713,381	699,645	694,067
25.	Franchise, Uncollectibles & P.U.C. Reimb. Fee, Present Rates	2,364,208	2,495,497	2,699,845	2,100,834	2,561,337	2,167,923	2,203,089	2,160,669	2,143,443
<u>TAXES OTHER THAN INCOME TAXES, PRESENT RATES</u>										
26.	Payroll Taxes	859,485	924,583	952,829	949,158	1,014,157	1,127,352	1,157,231	1,185,750	1,213,886
27.	Ad Valorem Taxes	1,943,445	1,953,302	2,170,350	2,706,743	2,787,726	2,865,490	3,001,177	3,072,878	3,498,593
28.	Taxes Other Than Income Taxes, Present Rates	2,802,930	2,877,885	3,123,179	3,655,901	3,801,883	3,992,842	4,158,408	4,258,628	4,712,479

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
SUMMARY OF EARNINGS AT PROPOSED RATES, DOLLARS

TABLE 10-2

Line Number	Description	Test Year	
		2027 At 2027 Proposed Rates	2028 At 2027 Proposed Rates

SUMMARY OF EARNINGS AT PROPOSED RATES

OPERATING REVENUES, PRESENT RATES

1.	Water Service Revenues, Less P.U.C. Reimb. Fee	122,860,675	122,081,385
2.	P.U.C. Reimbursement Fee 0.68%	835,453	830,153
3.	Other Water Revenues	408,075	409,153
4.	Amortization Of Deferred Revenues	25,580	25,580
5.	TOTAL OPERATING REVENUES, PRESENT RATES	124,129,783	123,346,271

OPERATION EXPENSES

6.	Payroll Expense	14,711,667	15,079,459
7.	Volume Related Expenses	33,639,840	32,940,561
8.	CR Reimbursement	(406,249)	(387,968)
9.	Other Operating Expenses	14,602,957	15,671,843
10.	Depreciation Expense	16,411,049	18,458,395
11.	Payroll Taxes	1,185,750	1,213,886
12.	Ad Valorem Taxes	3,072,878	3,498,593
13.	Income Tax Expense	8,876,020	7,220,194
14.	P.U.C. Reimbursement Fee	835,453	830,153
15.	Franchise Expense 1.20%	1,471,085	1,461,742
16.	Uncollectibles 0.22%	270,293	269,535
17.	TOTAL OPERATION EXPENSES	94,670,743	96,256,395

18. Net Operating Income 29,459,040 27,089,877

19. Rate Base 379,296,199 445,251,505

20. Rate of Return, Percent 7.77% 6.08%

	2021	2022
21. State income Tax	\$2,785,180	\$3,265,887
22. Federal income tax	\$6,090,840	\$7,140,511
23.	\$8,876,020	\$10,406,398

Line Number	Description	Test Year	Attrition Year	Attrition Year
		2027 At 2027 Proposed Rates	2028 At 2027 Proposed Rates	2028 At 2028 Proposed Rates
<u>STATE INCOME TAXES</u>				
1.	Water Service Revenues	122,860,675	122,081,385	132,911,570
2.	P.U.C. Reimbursement Fee	835,453	830,153	903,799
3.	Other Water Revenues	408,075	409,153	409,153
4.	Amortization of Deferred Revenues	25,580	25,580	25,580
5.	Total Taxable Operating Revenues	124,129,783	123,346,271	134,250,102
<u>DEDUCTIONS</u>				
6.	Operating Expenses; Less Franchise Expense, Uncollectibles, PUC Reimbursement Fee, & CR Reimbursement	62,954,464	63,691,864	63,691,864
7.	CR Reimbursement	(406,249)	(387,968)	(387,968)
8.	Franchise Expense	1,471,085	1,461,742	1,591,430
9.	Uncollectibles	270,293	269,535	292,405
10.	P.U.C. Reimbursement Fee	835,453	830,153	903,799
11.	Tax Depreciation, State	16,410,052	18,457,398	18,457,398
12.	Taxes Other than Income	4,258,628	4,712,479	4,712,479
13.	Interest Expense	6,999,938	8,217,148	8,217,148
14.	SUBTOTAL, DEDUCTIONS	92,793,664	97,252,352	97,478,555
15.	TAXABLE INCOME, CCFT	31,336,119	26,093,920	36,771,547
16.	CCFT Rate	8.84%	8.84%	8.84%
17.	CURRENT CALIFORNIA CORP. FRANCHISE TAX	2,770,113	2,306,703	3,250,605
18.	Plus Deferred Tax Expense, Taxable Contributions	15,067	15,282	15,282
19.	TOTAL STATE INCOME TAX EXPENSE	2,785,180	2,321,985	3,265,887
<u>FEDERAL INCOME TAX</u>				
20.	Taxable Income, CCFT	31,336,119	26,093,920	36,771,547
21.	Plus Add'l Tax Depreciation	997	997	997
22.	Less Prior Year CCFT	2,333,115	2,770,113	2,770,113
23.	TAXABLE INCOME, FEDERAL	29,004,001	23,324,804	34,002,431
24.	Federal Income Tax Rate	21.00%	21.00%	21.00%
25.	Federal Income Tax	6,090,840	4,898,209	7,140,511
26.	Less Investment Tax Credits	0	0	0
27.	CURRENT FEDERAL INCOME TAX	6,090,840	4,898,209	7,140,511
28.	Plus Deferred Tax Expense, Taxable Contributions	0	0	0
29.	Plus Deferred Tax Expense, Depreciation Timing Differences	0	0	0
30.	Plus Deferred Tax Expense, Deferred Pension Expense	0	0	0
31.	DEFERRED FEDERAL INCOME TAX EXPENSE	0	0	0
32.	TOTAL FEDERAL INCOME TAX EXPENSE	6,090,840	4,898,209	7,140,511
33.	TOTAL INCOME TAX EXPENSE	8,876,020	7,220,194	10,406,398

■ Chapter - Revenue Requirements

In this chapter, calculations are shown to arrive at revenue requirements intended to provide a fair rate of return on rate base as computed in Chapter 8.

11.1 Rate of Return

Rate of return was determined for Suburban in Decision D.24-12-007, which resulted from the CPUC's recent consolidated cost of capital proceeding:

Suburban Water Systems' cost of capital for its base year 2024 operations is as follows:

Suburban Water Systems			
Adopted Base Year 2024 — A.23-05-003			
Description	Capital Ratio	Cost Factor	Weighted Cost
Long-Term Debt	36.69%	5.03%	1.85%
Preferred Stock	1.31%	4.24%	0.06%
Common Equity	62.00%	9.46%	5.87%
TOTAL CAPITALIZATION	100.00%		7.77%

Suburban Water Systems filed a Tier 1 advice letter to implement the rate changes to reflect the change in the 2025 cost of capital of 7.77% as part of the 2025 step increase in advice letter 406-W, and became effective on September 26, 2025, retroactive to January 1, 2025.

Suburban Water Systems' next cost of capital proceeding is scheduled in May 2026, with test years 2027 and 2028.

11.2 Revenue Requirements

Revenues required to provide the return on rate base developed above, assuming normal water usage for test years ending December 31, 2027 and 2028, have been calculated as shown in Table 11-1.

The computation of earnings at proposed rates with normalized water usage for years ending December 31, 2027 and 2028 is shown in Table 11-2.

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
COMPUTATION OF REVENUE REQUIREMENTS, DOLLARS

TABLE 11-1

Line Number	REVENUE REQUIREMENTS	2027	2028	Attrition 2029
1.	Weighted Average Rate Base	379,296,199	445,251,505	
2.	Rate of Return Requested	7.77%	7.77%	
3.	Utility Operating Income Required	29,457,095	34,579,349	
4.	Utility Operating Income At Present Rates	15,643,611	13,246,783	
5.	Gross Revenues Additional Required	13,813,484	21,332,566	
6.	Net-To-Gross Multiplier	1.44581	1.44581	
7.	Gross Revenues Additional Required	19,971,673	30,842,837	41,674,494
8.	At Present Rates	102,889,002	102,068,733	102,068,733
9.	TOTAL	<u>122,860,675</u>	<u>132,911,570</u>	<u>143,743,227</u>
10.	Cumulative Increase	19.41%	30.22%	40.83%
11.	Annual Increase	19.41%	9.05%	8.15%
12.	0.68% PUC Reimbursement Fee	\$835,453	\$903,799	\$977,454
	<u>Net To Gross Multiplier:</u>			
13.	Uncollectible Accounts	0.22%	0.22%	
14.	State Corporate Franchise Tax	8.84%	8.84%	
15.	Federal Income Tax	21.00%	21.00%	
16.	Net-To-Gross Multiplier	1.44581	1.44581	
17.	PUC Reimbursement Rate	0.68%	0.68%	
18.				
19.				
20.				
21.				

Attrition Calculations for 2029		
Financials:	2029 Proposed Rate of Return	7.77%
	2028 Proposed Rate of Return	7.77%
	Difference	0.00%
Operational:	2028 Rate of Return at 2027 Proposed Rates	6.08%
	2027 Rate of Return at 2027 Proposed Rates	7.77%
	Difference	1.68%
	Total Attrition	1.68%
	Net to Gross Multiplier	1.44581
	2028 Rate Base	\$ 445,251,505
	2029 Attrition = Total Attrition X 2028 Rate Base X N.T.G. Escalation Year 2029 Expense Increase	\$ 10,831,656
	Operating Revenues for 2029 = (2028 Operating Revenue + 2029 Attrition)	
	Operating Revenue for 2028	\$133,346,303
	Operating Revenue for 2029	\$144,177,959
	Total Increase from 2028 to 2029	8.12%

Operating Revenues:	Increase	2028	2029	Increase
Water	\$10,831,656	\$132,911,570	\$143,743,227	8.15%
Other Revenues		\$409,153	\$409,153	
Deferred		\$25,580	\$25,580	
		<u>\$133,346,303</u>	<u>\$144,177,959</u>	8.12%

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
SUMMARY OF EARNINGS AT PROPOSED RATES, DOLLARS

TABLE 11-2

Line Number	Description	Estimated Test Year 2027 (1)	Estimated Test Year 2028 (2)
SUMMARY OF EARNINGS AT PROPOSED RATES			
<u>OPERATING REVENUES, PROPOSED RATES</u>			
1.	Water Service Revenues, Excludes P.U.C. Reimbursement Fee	\$122,860,675	\$132,911,570
2.	P.U.C. Reimbursement Fee 0.68%	\$835,453	903,799
3.	Other Water Revenues	\$408,075	\$409,153
4.	Amortization Of Deferred Revenues	\$25,580	\$25,580
5.	TOTAL OPERATING REVENUES	<u>\$124,129,783</u>	<u>\$134,250,102</u>
<u>OPERATION EXPENSES</u>			
6.	Payroll Expense	\$14,711,667	\$15,079,459
7.	Volume Related Expenses	\$33,639,840	\$32,940,561
8.	CR Reimbursement	(\$406,249)	(\$387,968)
9.	Other Operating Expenses	\$14,602,957	\$15,671,843
10.	Depreciation Expense	\$16,411,049	\$18,458,395
11.	Payroll Taxes	\$1,185,750	\$1,213,886
12.	Ad Valorem Taxes	\$3,072,878	\$3,498,593
13.	Income Tax Expense	\$8,876,020	\$10,406,398
14.	P.U.C. Reimbursement Fee	\$835,453	\$903,799
15.	Franchise Expense	\$1,471,085	\$1,591,430
16.	Uncollectibles	\$270,293	\$292,405
17.	TOTAL OPERATION EXPENSES	<u>\$94,670,743</u>	<u>\$99,668,802</u>
18.	NET OPERATING INCOME	<u>\$29,459,040</u>	<u>\$34,581,300</u>
19.	RATE BASE	<u>\$379,296,199</u>	<u>\$445,251,505</u>
20.	RETURN ON RATE BASE, PERCENT	<u>7.77%</u>	<u>7.77%</u>

■ Chapter - Rates

The increased rates to provide the revenues required, as computed in Chapter 11, are consistent with the three-tier inclining block rate structure proposed in this proceeding as ordered by D.24-12-030. Suburban recommends that the Commission adopts the three-tier rate design. Please see direct testimony of David Mitchell for further explanation. Following is a description of how those rates were designed.

12.1 Rate Design Re: Service Charges vs. Quantity Charges

The computation of proposed usage rates to recover the usage charge revenue requirement computed in Table 12-2 is shown in Table 12-3 with separate rates for each service area. In this proceeding, Suburban Water Systems proposes that the fixed charges to be collected from service charges will be at 40% of its revenue requirement. This is the minimum percentage as set forth in D.16-12-026 by improving revenue stability, promoting efficient water use, and ensuring affordability and equity for all customers.

First, service charge type rates were designed in accordance with Suburban's proposed 40% of revenue requirement is to be recovered through service charges to encourage conservation.

Next, on Table 12-2, the difference in the computed water production costs and the incremental zone rate differences intended to recover additional pumping expenses from customers at higher elevations was considered. The first step in the calculation of proposed Zone 1 usage rates is the computation of revenues to be generated by the difference between service area rates to reflect differences in production costs as discussed above. These revenues were then subtracted from the zone 1 revenue requirement, and the result was divided by total water sales to compute the proposed Zone 1 usage rate.

The third step was to determine revenues to be generated by incremental zone rates for Zones 2 and 3, which represent service at higher elevations. In this computation, incremental zone revenues were increased at the same percentage as proposed for total general service rates.

The design of proposed service charge rates is shown in Table 12-4. The first step in this computation was to subtract fire service charges from the 40 percent of total costs computed in Table 12-2. That amount is then divided by the total number of meter equivalents to determine the average service charge rate for a 5/8 x 3/4 inch meter. Average service charges for other meter sizes were computed by multiplying the service charge for the 5/8 x 3/4 inch meter by the capacity ratio for each meter size with the 5/8 x 3/4 inch meter assigned a meter capacity ratio of 1. Capacity ratios used were those provided to all water utilities by the Commission Water Branch on January 18, 1991.

12.2 The Necessity to Transition the Current Residential and to Maintain Non-Residential Rate Designs

In this current proceeding, Suburban proposes that the design of the rate structure and the customer classes to which the rate structures apply be kept in place during the test years. In addition, Suburban strongly recommends that the current uniform rate structure for non-

residential customers be retained. The proposed combination of inclining three-tier residential rate structure and uniform non-residential rate structure will ensure that Suburban remains in compliance with state water-use efficiency requirements under the “Making Conservation a California Way of Life” regulations.

Regarding non-residential customers, some users are highly water intensive (e.g. juice beverage manufacturers), and water is a large component of their cost structure. The local economy remains fragile, never having regained vitality after the 2008 recession and still reeling from the COVID pandemic. Vibrant economies are typically specialized, for example San Francisco in high technology and New York in finance. The economies in areas where we serve are greatly diversified with many different industries not specializing in much of anything. According to the 2025 Economic Forecast published by the Los Angeles County Economic Development Corporation (LAEDC) the cost of doing business in Los Angeles remains approximately 20% higher than the national average as determined by the S&P 500’s Business Cost Index (BCI). Again, to avoid unintended consequences to the still economically fragile local economy, Suburban strongly recommends for purposes of this proceeding that the trial program of inclining block rates not be expanded beyond the current residential customer class.

12.3 Rate Design Re: Residential Customers

Please see direct testimony of David Mitchell for further explanation.

12.4 Rate Design Re: Non-Residential Customers

Suburban recommends that the current uniform rate structure for non-residential customers be maintained for the reasons previously stated.

12.5 Rate Design Re: Fire Service Charges

The design of proposed fire service charges is shown on Table 12-5. In these computations, private fire service revenues in total were increased by the same percentage as general service revenues.

12.6 The Necessity to Transition from the Current Monterey-style WRAM to a Decoupling Revenue Stabilization Mechanism

Please see direct testimony of Carmelitha Bordelon for further explanation.

12.7 Proposed Rates

Proposed rates, as computed above, are shown in simplified form in Table 12-6.

12.8 Revenue at Proposed Rates

Revenues at proposed rates are shown in Table 12-7.

12.9 Revenue Comparisons

Comparisons of revenues at present and proposed rates by customer class are shown in Table 12-8.

Differences shown in the revenue comparisons result from differences in the present San Jose Hills and Whittier/La Mirada Service Area rates, as well as from different usage patterns by the different customer classes.

12.10 Bill Comparisons – Non-Residential Customers

Shown in Tables 12-9 through 12-18 are non-residential bill comparisons for several meter sizes and various usages with proposed rates as compared to present rates.

12.11 Bill Comparisons – Residential Customers

Shown in Tables 12-21 through 12-26 are residential customer bill comparisons for several meter sizes and various usages with proposed rates as compared to uniform rates.

12.12 Water Revenue Adjustment Mechanism (WRAM)

Current rates include a Water Revenue Adjustment Mechanism (WRAM) based on the WRAM that had been in effect for California-American Water's Monterey District. The selection of this style WRAM is driven by a past Suburban GRC decision that specified that this type of WRAM is currently being utilized (D.06-08-017, p. 11).

In compliance with D.24-12-030, Suburban will update its WRAM balances as of September 2025 via advice letter filing, after the proposed application is filed. Therefore, there is no update in this GRC proceeding.

12.13 Customer Assistance Program (CAP)

The Customer Assistance Program (CAP) provides income assistance to all residential metered water service customers who meet the income level for the California Alternate Rates for Energy (CARE) Program.

Eligible customers receive a fixed monthly credit of \$10.74 beginning September 26, 2025. In compliance with D.24-12-030, the surcharge and surcredit are adjusted by the same percentage as the increase/decrease in revenue requirement. Non-profit group living facilities, agricultural employee housing facilities, and migrant farm worker housing centers will receive a fixed monthly credit of \$20.00.

Suburban funds the CAP program with a monthly volumetric surcharge on every unit of water sold. Effective September 26, 2025, the volumetric surcharge is \$.09 per hundred cubic feet of water used per month. Differences between amounts collected and disbursed are recorded in a memorandum account.

12.14 Subsequent Rate Changes

Subsequent rate changes refer to any change to base rates that occurs after Suburban's GRC Application is filed on January 3, 2026, and before the start of the new test year of January 1, 2027. Subsequent rate changes are not part of the GRC forecasted revenue requirement for the test year, as all of the facts are not known with certainty on the date of filing. Therefore, any Commission-approved increase in revenue requirement would fail to reflect these changes once new rates go into effect unless Suburban is authorized to incorporate the additional revenue requirement into the final GRC rates. Suburban requests explicit Commission authorization to incorporate into new rates any subsequent rate changes and acknowledgement that these changes will also need to be placed into present rates for the determination of the actual rate increase caused by this application.

12.15 Affordability Metrics

In compliance with Decision 22-08-023, Decision implementing the affordability metrics, ordering paragraph eight, please see Appendix B of Econometric Demand Analysis, Sales Forecast, & Affordability Metric Report by Thomas W. Chesnutt for San Jose Hills (SJH) and Whittier/La Mirada (WLM) service areas which calculate essential usage bills, average usage bills and resulting AR20.

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
COST OF SERVICE CALCULATION

TABLE 12-2

		TEST YEAR			
		2027		2028	
1.	Operating Revenues - Present Rates	\$103,322,657		\$102,503,466	
2.	Operating Expenses	\$87,679,046		\$89,256,683	
3.	Net Operating Income	\$15,643,611		\$13,246,783	
4.	Rate Base	\$379,296,199		\$445,251,505	
5.	Rate of Return, Percent	4.12%		2.98%	
6.	Rate Base	\$379,296,199		\$445,251,505	
7.	Rate of Return Requested	7.77%		7.77%	
8.	Utility Operating Income Required	\$29,457,095		\$34,579,349	
9.	Utility Operating Income At Present Rates	\$15,643,611		\$13,246,783	
10.	Additional	\$13,813,484		\$21,332,566	
11.	Net-To-Gross Multiplier	1.44581		1.44581	
12.	Gross Revenues Additional Required	\$19,971,673		\$30,842,837	
13.	Gross Revenues At Present Rates	\$102,889,002		\$102,068,733	
14.	TOTAL REVENUES AT PROPOSED RATES	\$122,860,675		\$132,911,570	
15.	Percent Increase, Cumulative	19.41%		30.22%	
16.	Percent Increase Annually	19.41%		9.05%	
17.	TOTAL REVENUES AT PROPOSED RATES	\$122,860,675		\$132,911,570	
18.	To Be Recovered Through Service Charges (a)	40.00%	\$49,144,270	Fixed Cost	\$53,164,628
19.	To Be Recovered Through Usage Charges	60.00%	\$73,716,405	Variable Cost	\$79,746,942
20.		100.00%	\$122,860,675		\$132,911,570
Fixed Costs Recovered from Private Fire Service & Hydrants:					
Private Fire Protection Service (Schedule No. 4)					
21.	Present Rate Revenues	\$1,919,356		\$2,284,661	
22.	Proposed Percentage Rate Increase	19.41%		9.05%	
23.	Proposed Revenue Increase	\$372,564		\$206,764	
24.	Proposed Rate Revenues	\$2,291,920		\$2,491,426	
Fire Hydrant Service on Private Property (Schedule No. 4A)					
25.	Present Rate Revenues	\$240,669		\$286,785	
26.	Proposed Percentage Rate Increase	19.41%		9.05%	
27.	Proposed Revenue Increase	\$46,716		\$25,954	
28.	Proposed Rate Revenues	\$287,385		\$312,739	
29.	Total Proposed Rate Fire Service Revenues (b)	\$2,579,305		\$2,804,165	
30.	Balance of Fixed Costs Recovered Through Service Charges (a) - (b) =	\$46,564,965		\$50,360,463	
31.	Total Revenue Required - Usage Charges	\$73,716,405		\$79,746,942	
Less:					
32.	Present Rate Tariff Area Increment Revenues	\$1,970,590		\$2,321,400	
33.	Proposed Percentage Rate Increase	19.41%		9.05%	
34.	Proposed Tariff Area Increment Revenue Increase	\$382,509		\$210,089	
35.	Proposed Rate Tariff Area Increment Revenues	\$2,353,099		\$2,531,490	
36.	Balance Revenue Required, Tariff Area 1 Rate	\$71,363,306		\$77,215,453	

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
COST OF SERVICE CALCULATION

TABLE 12-3

	TEST YEAR					
	2027			2028		
	Total Company	San Jose Hills Service Area	Whit./LaMir. Service Area	Total Company	San Jose Hills Service Area	Whit./LaMir. Service Area
1. Source Of Supply Expense, San Jose Hills Service Area Less CR Reimbursement, Dollars		\$17,719,737		\$17,389,025		
2. Water Sales, San Jose Hills Service Area, Ccf		8,549,744		8,430,112		
3. Average Production Cost, San Jose Hills Service Area, \$/Ccf		\$2.073		\$2.063		
4. Source Of Supply Expense, Whittier/La Mirada Service Area, Less Lease-out Central Basin Rights, Dollars			\$11,273,385			\$10,958,067
5. Water Sales, Whittier/La Mirada Service Area, Ccf			6,987,104			6,911,801
6. Average Production Cost, Whittier/La Mirada Service Area, \$/Ccf			\$1.613			\$1.585
7. Average Production Cost, San Jose Hills Service Area exceeds Whittier/La Mirada Service Area, \$/Ccf		\$0.460		\$0.478		
8. Revenue Required, Tariff Area 1 Rate	\$71,363,306			\$77,215,453		
9. San Jose Hills Service Area, Ccf		8,549,744			8,430,112	
10. Additional Source Of Supply Cost, San Jose Hills Service Area, \$/Ccf		\$0.460			\$0.478	
11. Additional Source Of Supply Cost, San Jose Hills Service Area, Dollars	\$3,932,882	\$3,932,882		\$4,029,594	\$4,029,594	
12. Balance Revenue Required, Tariff Area 1 Rate	\$67,430,424			\$73,185,859		
13. Total Water Sales, Ccf	73,758,971	79,792,804	15,536,848	15,341,913	8,430,112	6,911,801
	73,716,405	79,746,942				
14. Computed Tariff Area 1 Usage Rate, Dollars per Ccf	42,566	45,862	\$4.340	\$4.770	\$5.248	\$4.770
15. Proposed Tariff Area 1 Usage Rate, Dollars per Ccf			\$4.800	\$4.340	\$5.248	\$4.770
16. Proposed Tariff Area 1 Rate Revenues	\$71,363,306	\$41,039,048	\$30,324,258	\$77,215,452	\$44,243,939	\$32,971,513
17. Tariff Area 2 Water Sales, Ccf	9,757,284	3,586,348	6,170,936	9,641,405	3,538,117	6,103,288
18. Tariff Area 2 Rate Increment, Present Rates, \$/Ccf		\$0.150	\$0.224		\$0.179	\$0.267
19. Tariff Area 2 Rate Increment Revenues, Present Rates, Dollars		\$537,952	\$1,382,290		\$633,735	\$1,632,510
20. Proposed Rate Increase, Percent		19.41%	19.41%		9.05%	9.05%
21. Tariff Area 2 Rate Increment Revenue Requirement, Proposed Rates	\$2,292,978	\$642,374	\$1,650,604	\$2,471,343	\$691,089	\$1,780,254
22. Computed Tariff Area 2 Rate Increment, Dollars per Ccf	\$0.235	\$0.179	\$0.267	\$0.256	\$0.195	\$0.292
23. Proposed Tariff Area 2 Rate Increment Revenues		\$0.179	\$0.267	\$0.195	\$0.292	
24. Proposed Tariff Area 2 Rate Revenues	\$2,292,978	\$642,374	\$1,650,604	\$2,471,343	\$691,089	\$1,780,254
25. Tariff Area 3 Water Sales, Ccf	763,609	734,954	28,655	750,860	722,560	28,300
26. Tariff Area 3 Rate Increment, Present Rates, \$/Ccf		\$0.318	\$0.612		\$0.380	\$0.731
27. Tariff Area 3 Rate Increment Revenues, Present Rates, Dollars		\$233,715	\$17,537		\$274,375	\$20,681
28. Proposed Rate Increase, Percent		19.41%	19.41%		9.05%	9.05%
29. Tariff Area 3 Rate Increment Revenue Requirement, Proposed Rates	\$300,023	\$279,082	\$20,941	\$321,760	\$299,207	\$22,553
30. Computed Tariff Area 3 Rate Increment, Dollars per Ccf	\$0.393	\$0.380	\$0.731	\$0.429	\$0.414	\$0.797
31. Proposed Tariff Area 3 Rate Increment Revenues		\$0.380	\$0.731	\$0.414	\$0.797	
32. Proposed Tariff Area 3 Rate Revenues	\$300,023	\$279,082	\$20,941	\$321,760	\$299,207	\$22,553
33. Total Usage Rate Revenues	\$73,956,307	\$41,960,504	\$31,995,803	\$80,008,555	\$45,234,234	\$34,774,321

SUBURBAN WATER SYSTEMS
 TOTAL COMPANY
 COMPUTATION OF METER EQUIVALENTS AND SERVICE CHARGE BY METER SIZE

TABLE 12-4

Meter Size	TEST YEAR					
	2027			2028		
	TOTAL	San Jose Hills Service Area	Whit./LaMir. Service Area	TOTAL	San Jose Hills Service Area	Whit./LaMir. Service Area
1. 5/8" x 3/4"	7,370	1,982	5,388	7,358	1,975	5,383
2. 3/4"	53,042	30,869	22,173	53,072	30,871	22,201
3. 1"	13,664	7,798	5,866	13,771	7,882	5,889
4. 1-1/2"	1,572	897	675	1,581	906	675
5. 2"	1,483	843	640	1,487	845	642
7. 3"	226	138	88	226	137	89
9. 4"	131	62	69	131	62	69
10. 6"	20	9	11	20	9	11
11. 8"	5	5	0	5	5	0
12. 10"	1	1		1	1	
13. TOTAL	77,514	42,604	34,910	77,652	42,693	34,959
Meter Equivalents by Meter Size						
14. 5/8" x 3/4"	1.0	1.0	1.0	1.0	1.0	1.0
15. 3/4"	1.5	1.5	1.5	1.5	1.5	1.5
16. 1"	2.5	2.5	2.5	2.5	2.5	2.5
17. 1-1/2"	5.0	5.0	5.0	5.0	5.0	5.0
18. 2"	8.0	8.0	8.0	8.0	8.0	8.0
19. 3"	15.0	15.0	15.0	15.0	15.0	15.0
20. 4"	25.0	25.0	25.0	25.0	25.0	25.0
21. 6"	50.0	50.0	50.0	50.0	50.0	50.0
22. 8"	80.0	80.0	80.0	80.0	80.0	80.0
23. 10"	115.0	115.0	115.0	115.0	115.0	115.0
Meter Equivalents						
24. 5/8" x 3/4"	7,370	1,982	5,388	7,358	1,975	5,383
25. 3/4"	79,563	46,304	33,260	79,608	46,307	33,302
26. 1"	34,160	19,495	14,665	34,428	19,705	14,723
27. 1-1/2"	7,860	4,485	3,375	7,905	4,530	3,375
28. 2"	11,864	6,744	5,120	11,896	6,760	5,136
29. 3"	3,390	2,070	1,320	3,390	2,055	1,335
30. 4"	3,275	1,550	1,725	3,275	1,550	1,725
31. 6"	1,000	450	550	1,000	450	550
32. 8"	400	400	0	400	400	0
33. 10"	115	115	0	115	115	0
34. TOTAL	148,997	83,595	65,403	149,375	83,847	65,528
35. Fixed Costs Recoverable From Monthly Service Charges	\$46,564,965	\$26,125,190	\$20,439,775	\$50,360,463	\$28,268,202	\$22,092,261
36. Annual Cost per Meter Equivalent, Dollars	\$312.52			\$337.14		
37. Monthly Meter Equivalent Cost, Dollars (Rate for 5/8 x 3/4 in.-meter)	\$26.04	\$26.04	\$26.04	\$28.10	\$28.10	\$28.10

SERVICE CHARGE RATE BY METER SIZE, DOLLARS

Meter Size	TEST YEAR			
	2027		2028	
	San Jose Hills Service Area	Whit./LaMir. Service Area	San Jose Hills Service Area	Whit./LaMir. Service Area
38. 5/8" x 3/4"	\$26.04	\$26.04	\$28.10	\$28.10
39. 3/4"	\$39.07	\$39.07	\$42.14	\$42.14
40. 1"	\$65.11	\$65.11	\$70.24	\$70.24
41. 1-1/2"	\$130.22	\$130.22	\$140.48	\$140.48
42. 2"	\$208.35	\$208.35	\$224.76	\$224.76
43. 3"	\$390.65	\$390.65	\$421.43	\$421.43
44. 4"	\$651.09	\$651.09	\$702.38	\$702.38
45. 6"	\$1,302.18	\$1,302.18	\$1,404.76	\$1,404.76
46. 8"	\$2,083.49	\$2,083.49	\$2,247.62	\$2,247.62
47. 10"	\$2,995.01	\$2,995.01	\$3,230.95	\$3,230.95

PROPOSED RATE SCHEDULES

		TEST YEAR 2027 - Metered Services					ATTRITION YEAR 2028 - Metered Services					
		San Jose Hills Service Area			Whittier/La Mirada Service Area		San Jose Hills Service Area			Whittier/La Mirada		
Proposed Rate Schedule No.:		SJ-1	SJ-2	SJ-3	WLM-1	WLM-2	SJ-1	SJ-2	SJ-3	WLM-1	WLM-2	
Quantity Rates:		RESIDENTIAL	NON RESIDENTIAL	RECYCLED WATER	RESIDENTIAL	NON RESIDENTIAL	RESIDENTIAL	NON RESIDENTIAL	RECYCLED WATER	RESIDENTIAL	NON RESIDENTIAL	
For all water delivered per 100 cubic feet				85% of SJ-2					85% of SJ-2			
1.	Tariff Area No. 1	Tier 1	\$4.633	\$4.800	\$4.080	\$4.263	\$4.340	\$5.065	\$5.248	\$4.461	\$4.684	\$4.770
		Tier 2	\$5.148			\$4.736		\$5.628			\$5.204	
		Tier 3	\$5.719			\$5.263		\$6.253			\$5.782	
2.	Tariff Area No. 2	Tier 1	\$4.737	\$4.979	\$4.232	\$4.425	\$4.608	\$5.179	\$5.444	\$4.627	\$4.861	\$5.062
		Tier 2	\$5.263			\$4.916		\$5.754			\$5.401	
		Tier 3	\$5.848			\$4.462		\$6.394			\$6.001	
3.	Tariff Area No. 3	Tier 1	\$4.969	\$5.180	\$4.403	\$4.706	\$5.071	\$5.433	\$5.662	\$4.813	\$5.170	\$5.567
		Tier 2	\$5.521			\$5.229		\$6.036			\$5.745	
		Tier 3	\$6.135			\$5.810		\$6.707			\$6.383	
<u>Service Charge For:</u>												
		Residential Tier 1 Usage Up To (Ccf)	Residential Tier 2 Usage Up To (Ccf)									
4.	5/8 x 3/4-inch meter	12	22	\$26.04	\$26.04	\$26.04	\$26.04	\$28.10	\$28.10	\$28.10	\$28.10	\$28.10
5.	3/4-inch meter	12	22	\$39.07	\$39.07	\$39.07	\$39.07	\$42.14	\$42.14	\$42.14	\$42.14	\$42.14
6.	1-inch meter	16	32	\$65.11	\$65.11	\$65.11	\$65.11	\$70.24	\$70.24	\$70.24	\$70.24	\$70.24
7.	1-1/2-inch meter	35	80	\$130.22	\$130.22	\$130.22	\$130.22	\$140.48	\$140.48	\$140.48	\$140.48	\$140.48
8.	2-inch meter	115	238	\$208.35	\$208.35	\$208.35	\$208.35	\$224.76	\$224.76	\$224.76	\$224.76	\$224.76
9.	3-inch meter	160	330	\$390.65	\$390.65	\$390.65	\$390.65	\$421.43	\$421.43	\$421.43	\$421.43	\$421.43
10.	4-inch meter			\$651.09	\$651.09	\$651.09	\$651.09	\$702.38	\$702.38	\$702.38	\$702.38	\$702.38
11.	6-inch meter			\$1,302.18	\$1,302.18	\$1,302.18	\$1,302.18	\$1,404.76	\$1,404.76	\$1,404.76	\$1,404.76	\$1,404.76
12.	8-inch meter			\$2,083.49	\$2,083.49	\$2,083.49	\$2,083.49	\$2,247.62	\$2,247.62	\$2,247.62	\$2,247.62	\$2,247.62
13.	10-inch meter			\$2,995.01	\$2,995.01	\$2,995.01	\$2,995.01	\$3,230.95	\$3,230.95	\$3,230.95	\$3,230.95	\$3,230.95

PROPOSED RATE SCHEDULE No. 4, PRIVATE FIRE PROTECTION SERVICE

		PER SERVICE PER MONTH			
		2027		2028	
Rates for all Tariff Areas		San Jose Hills Service Area	Whit./LaMir. Service Area	San Jose Hills Service Area	Whit./LaMir. Service Area
14.	Per Inch Per Month	\$37.81	\$37.81	\$41.23	\$41.23

PROPOSED RATE SCHEDULE No. 4A, FIRE HYDRANT SERVICE ON PRIVATE PROPERTY

		PER SERVICE PER MONTH			
		2027		2028	
Rates for all Tariff Areas		San Jose Hills Service Area	Whit./LaMir. Service Area	San Jose Hills Service Area	Whit./LaMir. Service Area
15.	For each 6-inch fire hydrant, per month	\$50.00	\$50.00	\$54.52	\$54.52

SUBURBAN WATER SYSTEMS
TOTAL COMPANY
OPERATING REVENUES AT PROPOSED WATER RATES, DOLLARS

TABLE 12-7

Line Number	Customer Class (PUC Account #)	2027 @ 2027 Rates	2028 @ 2027 Rates	2028 @ 2028 Rates
OPERATING REVENUES AT PROPOSED WATER RATES				
<u>METERED WATER SERVICE REVENUES</u>				
1.	Residential Sales (601.11.)	87,247,656	86,540,095	94,179,848
2.	Business Sales (601.12.)	24,997,640	24,896,701	27,157,486
3.	Industrial Sales (601.2.)	2,204,527	2,204,527	2,410,052
4.	Sales to Public Authorities (601.3.)	4,400,087	4,400,087	4,804,961
5.	Sales to Other Water Utilities for Resale (606.)	60,011	60,011	65,263
6.	Construction Water Service (609.)	122,003	115,726	125,620
7.	Recycled Water Sales	1,292,792	1,292,792	1,410,881
8.	TOTAL METERED WATER SERVICE REVENUES	120,324,717	119,509,939	130,154,110
<u>OTHER WATER SERVICE REVENUES</u>				
9.	Private Fire Protection Service (604.)	2,291,920	2,284,661	2,491,426
10.	Fire Hydrant Service on Private Property (604.A)	287,385	286,785	312,739
11.	Subtotal, Private Fire Service Revenues	2,579,305	2,571,446	2,804,165
12.	P.U.C. Reimbursement Fee 0.68%	835,747	830,153	904,116
13.	TOTAL OTHER WATER SERVICE REVENUES	3,415,052	3,401,599	3,708,281
14.	TOTAL WATER SERVICE REVENUES	123,739,769	122,911,538	133,862,392
<u>OTHER WATER REVENUES</u>				
15.	Miscellaneous Service Revenues (611.)	192,643	192,643	192,643
16.	Other Revenues - Non Tariffed Products & Services	215,432	216,510	216,510
17.	TOTAL OTHER WATER REVENUES	408,075	409,153	409,153
18.	AMORTIZATION OF DEFERRED REVENUES	25,580	25,580	25,580
19.	TOTAL OPERATING REVENUES AT PROPOSED RATES	124,173,424	123,346,271	134,297,124
20.	Total Water Service Revenues Less P.U.C. Reimbursement Fee	122,904,021	122,081,385	132,958,275
<u>Reconciliation:</u>				
21.	Service Charge (Fixed Cost)	Percentage from Total		
22.	San Jose Hills Service Area	40%		
23.	Whittier/La Mirada Service Area	27,324,364	27,392,539	29,564,366
24.		21,820,686	21,862,630	23,601,105
		49,145,050	49,255,169	53,165,471
25.	Usage Charge (Variable Cost)	60%		
26.	San Jose Hills Service Area	41,763,167	41,175,584	45,018,484
27.	Whittier/La Mirada Service Area	31,995,804	31,650,632	34,774,320
28.		73,758,971	72,826,216	79,792,804
		<u>100%</u>		

SUBURBAN WATER SYSTEMS
 TOTAL COMPANY
 COMPARISON OF REVENUES AT PRESENT AND PROPOSED RATES, TEST YEARS 2027, AND 2028, DOLLARS

TABLE 12-8

Line Number	Customer Class (PUC Account #)	2027 @ Present 2027 Rates	2027 @ Proposed 2027 Rates	Revenue Increase	Percent
TEST YEAR 2027					
1.	Residential Sales (601.11.)	\$71,810,699	\$87,247,656	\$15,436,957	21.50%
2.	Business Sales (601.12.)	\$21,658,349	\$24,997,640	\$3,339,291	15.42%
3.	Industrial Sales (601.2.)	\$2,061,886	\$2,204,527	\$142,641	6.92%
4.	Sales to Public Authorities (601.3.)	\$3,865,303	\$4,400,087	\$534,784	13.84%
5.	Sales to Other Water Utilities for Resale (606.)	\$46,645	\$60,011	\$13,366	28.66%
6.	Construction Water Service (609.)	\$92,402	\$122,003	\$29,601	32.04%
7.	Private Fire Protection Service (604.)	\$1,919,354	\$2,291,920	\$372,566	19.41%
8.	Fire Hydrant Service on Private Property (604.A)	\$240,669	\$287,385	\$46,716	19.41%
9.	Recycled Water Sales	\$1,193,695	\$1,292,792	\$99,097	8.30%
10.	Total Billed Rates	\$102,889,002	\$122,904,021	\$20,015,019	19.45%
TEST YEAR 2028					
10.	Residential Sales (601.11.)	\$86,540,095	\$94,179,848	\$7,639,753	8.83%
11.	Business Sales (601.12.)	\$24,896,701	\$27,157,486	\$2,260,785	9.08%
12.	Industrial Sales (601.2.)	\$2,204,527	\$2,410,052	\$205,525	9.32%
13.	Sales to Public Authorities (601.3.)	\$4,400,087	\$4,804,961	\$404,874	9.20%
14.	Sales to Other Water Utilities for Resale (606.)	\$60,011	\$65,263	\$5,252	8.75%
15.	Construction Water Service (609.)	\$115,726	\$125,620	\$9,894	8.55%
16.	Private Fire Protection Service (604.)	\$2,284,661	\$2,491,426	\$206,764	9.05%
17.	Fire Hydrant Service on Private Property (604.A)	\$286,785	\$312,739	\$25,954	9.05%
18.	Recycled Water Sales	\$1,292,792	\$1,410,881	\$118,089	9.13%
19.	Total Billed Rates	\$122,081,385	\$132,958,275	\$10,876,890	8.91%

SUBURBAN WATER SYSTEMS
 SAN JOSE HILLS, WHITTIER/LA MIRADA SERVICE AREAS
 COMPARISON OF PRESENT AND PROPOSED RATES - MONTHLY BILLS FOR 5/8x3/4" NON RESIDENTIAL METERED SERVICE
 BILLS INCLUDE PUC REIMBURSEMENT SURCHARGE OF 0.68%

TABLE 12-9

Line Number	SAN JOSE HILLS Service Area, 5/8 x 3/4 Inch Meter					WHITTIER / LA MIRADA Service Area, 5/8 x 3/4 Inch Meter				
	Usage in Ccf	Present SJH-2 Rates	Proposed SJH-2 Rates	Increase Dollars	Increase Percent	Usage in Ccf	Present WLM-2 Rates	Proposed WLM-2 Rates	Increase Dollars	Increase Percent
TARIFF AREA NUMBER 1:										
1.	0	\$17.14	\$26.22	\$9.08	52.98%	0	\$17.14	\$26.22	\$9.08	52.98%
2.	2	\$26.51	\$35.89	\$9.38	35.38%	2	\$25.36	\$34.96	\$9.60	37.85%
3.	5	\$40.56	\$50.38	\$9.82	24.21%	5	\$37.69	\$48.07	\$10.38	27.54%
4.	7	\$49.94	\$60.05	\$10.11	20.24%	7	\$45.91	\$56.81	\$10.90	23.74%
5.	10	\$63.99	\$74.55	\$10.56	16.50%	10	\$58.24	\$69.92	\$11.68	20.05%
6.	12	\$73.36	\$84.21	\$10.85	14.79%	12	\$66.46	\$78.66	\$12.20	18.36%
7.	15	\$87.42	\$98.71	\$11.29	12.91%	15	\$78.80	\$91.76	\$12.96	16.45%
8.	17	\$96.79	\$108.38	\$11.59	11.97%	17	\$87.02	\$100.50	\$13.48	15.49%
9.	20	\$110.85	\$122.87	\$12.02	10.84%	20	\$99.35	\$113.61	\$14.26	14.35%
10.	25	\$134.28	\$147.04	\$12.76	9.50%	25	\$119.90	\$135.46	\$15.56	12.98%
11.	30	\$157.71	\$171.20	\$13.49	8.55%	30	\$140.46	\$157.31	\$16.85	12.00%
12.	40	\$204.56	\$219.53	\$14.97	7.32%	40	\$181.57	\$201.00	\$19.43	10.70%
13.	50	\$251.42	\$267.85	\$16.43	6.53%	50	\$222.67	\$244.70	\$22.03	9.89%
14.	100	\$485.70	\$509.49	\$23.79	4.90%	100	\$428.21	\$463.18	\$34.97	8.17%
TARIFF AREA NUMBER 2:										
15.	0	\$17.14	\$26.22	\$9.08	52.98%	0	\$17.14	\$26.22	\$9.08	52.98%
16.	2	\$26.81	\$36.25	\$9.44	35.21%	2	\$25.81	\$35.50	\$9.69	37.54%
17.	5	\$41.32	\$51.29	\$9.97	24.13%	5	\$38.82	\$49.41	\$10.59	27.28%
18.	7	\$50.99	\$61.31	\$10.32	20.24%	7	\$47.49	\$58.69	\$11.20	23.58%
19.	10	\$65.50	\$76.35	\$10.85	16.56%	10	\$60.50	\$72.61	\$12.11	20.02%
20.	12	\$75.18	\$86.38	\$11.20	14.90%	12	\$69.17	\$81.89	\$12.72	18.39%
21.	15	\$89.69	\$101.42	\$11.73	13.08%	15	\$82.18	\$95.80	\$13.62	16.57%
22.	17	\$99.36	\$111.44	\$12.08	12.16%	17	\$90.85	\$105.08	\$14.23	15.66%
23.	20	\$113.87	\$126.48	\$12.61	11.07%	20	\$103.86	\$119.00	\$15.14	14.58%
24.	25	\$138.05	\$151.55	\$13.50	9.78%	25	\$125.54	\$142.19	\$16.65	13.26%
25.	30	\$162.24	\$176.61	\$14.37	8.86%	30	\$147.22	\$165.39	\$18.17	12.34%
26.	40	\$210.60	\$226.74	\$16.14	7.66%	40	\$190.59	\$211.77	\$21.18	11.11%
27.	50	\$258.97	\$276.87	\$17.90	6.91%	50	\$233.95	\$258.16	\$24.21	10.35%
28.	100	\$500.80	\$527.52	\$26.72	5.34%	100	\$450.76	\$490.11	\$39.35	8.73%
TARIFF AREA NUMBER 3:										
29.	0	\$17.14	\$26.22	\$9.08	52.98%					
30.	2	\$27.15	\$36.65	\$9.50	34.99%					
31.	5	\$42.16	\$52.30	\$10.14	24.05%					
32.	7	\$52.18	\$62.73	\$10.55	20.22%					
33.	10	\$67.19	\$78.37	\$11.18	16.64%					
34.	12	\$77.21	\$88.80	\$11.59	15.01%					
35.	15	\$92.22	\$104.45	\$12.23	13.26%					
36.	17	\$102.23	\$114.88	\$12.65	12.37%					
37.	20	\$117.25	\$130.52	\$13.27	11.32%					
38.	25	\$142.28	\$156.60	\$14.32	10.06%					
39.	30	\$167.31	\$182.67	\$15.36	9.18%					
40.	40	\$217.37	\$234.82	\$17.45	8.03%					
41.	50	\$267.43	\$286.97	\$19.54	7.31%					
42.	100	\$517.72	\$547.72	\$30.00	5.79%					

SUBURBAN WATER SYSTEMS
 SAN JOSE HILLS, WHITTIER/LA MIRADA SERVICE AREAS
 COMPARISON OF PRESENT AND PROPOSED RATES - MONTHLY BILLS FOR 3/4" NON RESIDENTIAL METERED SERVICE
 BILLS INCLUDE PUC REIMBURSEMENT SURCHARGE OF 0.68%

TABLE 12-10

Line Number	SAN JOSE HILLS Service Area, 3/4 Inch Meter					WHITTIER / LA MIRADA Service Area, 3/4 Inch Meter				
	Usage in Ccf	Present SJH-2 Rates	Proposed SJH-2 Rates	Increase Dollars	Increase Percent	Usage in Ccf	Present WLM-2 Rates	Proposed WLM-2 Rates	Increase Dollars	Increase Percent
TARIFF AREA NUMBER 1:										
1.	0	\$25.70	\$39.33	\$13.63	53.04%	0	\$25.70	\$39.33	\$13.63	53.04%
2.	2	\$35.07	\$49.00	\$13.93	39.72%	2	\$33.93	\$48.07	\$14.14	41.67%
3.	5	\$49.13	\$63.49	\$14.36	29.23%	5	\$46.26	\$61.18	\$14.92	32.25%
4.	7	\$58.50	\$73.16	\$14.66	25.06%	7	\$54.48	\$69.92	\$15.44	28.34%
5.	10	\$72.56	\$87.66	\$15.10	20.81%	10	\$66.81	\$83.03	\$16.22	24.28%
6.	12	\$81.93	\$97.32	\$15.39	18.78%	12	\$75.03	\$91.77	\$16.74	22.31%
7.	15	\$95.99	\$111.82	\$15.83	16.49%	15	\$87.37	\$104.87	\$17.50	20.03%
8.	17	\$105.36	\$121.49	\$16.13	15.31%	17	\$95.59	\$113.61	\$18.02	18.85%
9.	20	\$119.42	\$135.98	\$16.56	13.87%	20	\$107.92	\$126.72	\$18.80	17.42%
10.	25	\$142.84	\$160.15	\$17.31	12.12%	25	\$128.47	\$148.57	\$20.10	15.65%
11.	30	\$166.27	\$184.31	\$18.04	10.85%	30	\$149.03	\$170.42	\$21.39	14.35%
12.	40	\$213.13	\$232.64	\$19.51	9.15%	40	\$190.13	\$214.11	\$23.98	12.61%
13.	50	\$259.99	\$280.96	\$20.97	8.07%	50	\$231.24	\$257.81	\$26.57	11.49%
14.	100	\$494.27	\$522.60	\$28.33	5.73%	100	\$436.78	\$476.29	\$39.51	9.05%
TARIFF AREA NUMBER 2:										
15.	0	\$25.70	\$39.33	\$13.63	53.04%	0	\$25.70	\$39.33	\$13.63	53.04%
16.	2	\$35.38	\$49.36	\$13.98	39.51%	2	\$34.38	\$48.61	\$14.23	41.39%
17.	5	\$49.89	\$64.40	\$14.51	29.08%	5	\$47.39	\$62.53	\$15.14	31.95%
18.	7	\$59.56	\$74.42	\$14.86	24.95%	7	\$56.06	\$71.80	\$15.74	28.08%
19.	10	\$74.07	\$89.46	\$15.39	20.78%	10	\$69.07	\$85.72	\$16.65	24.11%
20.	12	\$83.74	\$99.49	\$15.75	18.81%	12	\$77.74	\$95.00	\$17.26	22.20%
21.	15	\$98.25	\$114.53	\$16.28	16.57%	15	\$90.75	\$108.91	\$18.16	20.01%
22.	17	\$107.93	\$124.55	\$16.62	15.40%	17	\$99.42	\$118.19	\$18.77	18.88%
23.	20	\$122.44	\$139.59	\$17.15	14.01%	20	\$112.43	\$132.11	\$19.68	17.50%
24.	25	\$146.62	\$164.66	\$18.04	12.30%	25	\$134.11	\$155.30	\$21.19	15.80%
25.	30	\$170.80	\$189.72	\$18.92	11.08%	30	\$155.79	\$178.50	\$22.71	14.58%
26.	40	\$219.17	\$239.85	\$20.68	9.44%	40	\$199.16	\$224.88	\$25.72	12.91%
27.	50	\$267.54	\$289.98	\$22.44	8.39%	50	\$242.52	\$271.27	\$28.75	11.85%
28.	100	\$509.37	\$540.63	\$31.26	6.14%	100	\$459.33	\$503.22	\$43.89	9.56%
TARIFF AREA NUMBER 3:										
29.	0	\$25.70	\$39.33	\$13.63	53.04%					
30.	2	\$35.72	\$49.76	\$14.04	39.31%					
31.	5	\$50.73	\$65.41	\$14.68	28.94%					
32.	7	\$60.74	\$75.84	\$15.10	24.86%					
33.	10	\$75.76	\$91.48	\$15.72	20.75%					
34.	12	\$85.77	\$101.91	\$16.14	18.82%					
35.	15	\$100.79	\$117.56	\$16.77	16.64%					
36.	17	\$110.80	\$127.99	\$17.19	15.51%					
37.	20	\$125.82	\$143.63	\$17.81	14.16%					
38.	25	\$150.85	\$169.71	\$18.86	12.50%					
39.	30	\$175.88	\$195.78	\$19.90	11.31%					
40.	40	\$225.94	\$247.93	\$21.99	9.73%					
41.	50	\$275.99	\$300.08	\$24.09	8.73%					
42.	100	\$526.28	\$560.83	\$34.55	6.56%					

SUBURBAN WATER SYSTEMS
 SAN JOSE HILLS, WHITTIER/LA MIRADA SERVICE AREAS
 COMPARISON OF PRESENT AND PROPOSED RATES - MONTHLY BILLS FOR 1" NON RESIDENTIAL METERED SERVICE
 BILLS INCLUDE PUC REIMBURSEMENT SURCHARGE OF 0.68%

TABLE 12-11

Line Number	SAN JOSE HILLS Service Area, 1 Inch Meter					WHITTIER / LA MIRADA Service Area, 1 Inch Meter				
	Usage in Ccf	Monthly Bill, Dollars		Increase		Usage in Ccf	Monthly Bill, Dollars		Increase	
		Present SJH-2 Rates	Proposed SJH-2 Rates	Dollars	Percent		Present WLM-2 Rates	Proposed WLM-2 Rates	Dollars	Percent
TARIFF AREA NUMBER 1:										
1.	0	\$42.83	\$65.55	\$22.72	53.05%	0	\$42.83	\$65.55	\$22.72	53.05%
2.	2	\$52.20	\$75.22	\$23.02	44.10%	2	\$51.05	\$74.29	\$23.24	45.52%
3.	5	\$66.26	\$89.72	\$23.46	35.41%	5	\$63.38	\$87.40	\$24.02	37.90%
4.	7	\$75.63	\$99.38	\$23.75	31.40%	7	\$71.60	\$96.14	\$24.54	34.27%
5.	10	\$89.69	\$113.88	\$24.19	26.97%	10	\$83.94	\$109.25	\$25.31	30.15%
6.	12	\$99.06	\$123.54	\$24.48	24.71%	12	\$92.16	\$117.99	\$25.83	28.03%
7.	15	\$113.11	\$138.04	\$24.93	22.04%	15	\$104.49	\$131.09	\$26.60	25.46%
8.	17	\$122.49	\$147.71	\$25.22	20.59%	17	\$112.71	\$139.83	\$27.12	24.06%
9.	20	\$136.54	\$162.21	\$25.67	18.80%	20	\$125.04	\$152.94	\$27.90	22.31%
10.	25	\$159.97	\$186.37	\$26.40	16.50%	25	\$145.60	\$174.79	\$29.19	20.05%
11.	30	\$183.40	\$210.53	\$27.13	14.79%	30	\$166.15	\$196.64	\$30.49	18.35%
12.	40	\$230.26	\$258.86	\$28.60	12.42%	40	\$207.26	\$240.33	\$33.07	15.96%
13.	50	\$277.11	\$307.19	\$30.08	10.85%	50	\$248.37	\$284.03	\$35.66	14.36%
14.	100	\$511.39	\$548.82	\$37.43	7.32%	100	\$453.91	\$502.51	\$48.60	10.71%
TARIFF AREA NUMBER 2:										
15.	0	\$42.83	\$65.55	\$22.72	53.05%	0	\$42.83	\$65.55	\$22.72	53.05%
16.	2	\$52.50	\$75.58	\$23.08	43.96%	2	\$51.50	\$74.83	\$23.33	45.30%
17.	5	\$67.01	\$90.62	\$23.61	35.23%	5	\$64.51	\$88.75	\$24.24	37.58%
18.	7	\$76.69	\$100.64	\$23.95	31.23%	7	\$73.18	\$98.02	\$24.84	33.94%
19.	10	\$91.20	\$115.68	\$24.48	26.84%	10	\$86.19	\$111.94	\$25.75	29.88%
20.	12	\$100.87	\$125.71	\$24.84	24.63%	12	\$94.86	\$121.22	\$26.36	27.79%
21.	15	\$115.38	\$140.75	\$25.37	21.99%	15	\$107.87	\$135.13	\$27.26	25.27%
22.	17	\$125.05	\$150.77	\$25.72	20.57%	17	\$116.55	\$144.41	\$27.86	23.90%
23.	20	\$139.56	\$165.81	\$26.25	18.81%	20	\$129.56	\$158.33	\$28.77	22.21%
24.	25	\$163.75	\$190.88	\$27.13	16.57%	25	\$151.24	\$181.52	\$30.28	20.02%
25.	30	\$187.93	\$215.94	\$28.01	14.90%	30	\$172.92	\$204.72	\$31.80	18.39%
26.	40	\$236.30	\$266.07	\$29.77	12.60%	40	\$216.28	\$251.11	\$34.83	16.10%
27.	50	\$284.66	\$316.20	\$31.54	11.08%	50	\$259.64	\$297.49	\$37.85	14.58%
28.	100	\$526.50	\$566.85	\$40.35	7.66%	100	\$476.46	\$529.44	\$52.98	11.12%
TARIFF AREA NUMBER 3:										
29.	0	\$42.83	\$65.55	\$22.72	53.05%					
30.	2	\$52.84	\$75.98	\$23.14	43.79%					
31.	5	\$67.86	\$91.63	\$23.77	35.03%					
32.	7	\$77.87	\$102.06	\$24.19	31.06%					
33.	10	\$92.89	\$117.70	\$24.81	26.71%					
34.	12	\$102.90	\$128.13	\$25.23	24.52%					
35.	15	\$117.92	\$143.78	\$25.86	21.93%					
36.	17	\$127.93	\$154.21	\$26.28	20.54%					
37.	20	\$142.95	\$169.85	\$26.90	18.82%					
38.	25	\$167.97	\$195.93	\$27.96	16.65%					
39.	30	\$193.00	\$222.00	\$29.00	15.03%					
40.	40	\$243.06	\$274.15	\$31.09	12.79%					
41.	50	\$293.12	\$326.30	\$33.18	11.32%					
42.	100	\$543.41	\$587.05	\$43.64	8.03%					

SUBURBAN WATER SYSTEMS
 SAN JOSE HILLS, WHITTIER/LA MIRADA SERVICE AREAS
 COMPARISON OF PRESENT AND PROPOSED RATES - MONTHLY BILLS FOR 1-1/2" NON RESIDENTIAL METERED SERVICE
 BILLS INCLUDE PUC REIMBURSEMENT SURCHARGE OF 0.68%

TABLE 12-12

Line Number	SAN JOSE HILLS Service Area, 1-1/2 Inch Meter					WHITTIER / LA MIRADA Service Area, 1-1/2 Inch Meter				
	Usage in Ccf	Present SJH-2 Rates	Proposed SJH-2 Rates	Increase Dollars	Increase Percent	Usage in Ccf	Present WLM-2 Rates	Proposed WLM-2 Rates	Increase Dollars	Increase Percent
TARIFF AREA NUMBER 1:										
1.	0	\$85.67	\$131.10	\$45.43	53.03%	0	\$85.67	\$131.10	\$45.43	53.03%
2.	3	\$99.73	\$145.60	\$45.87	45.99%	3	\$98.00	\$144.21	\$46.21	47.15%
3.	5	\$109.10	\$155.27	\$46.17	42.32%	5	\$106.22	\$152.95	\$46.73	43.99%
4.	10	\$132.53	\$179.43	\$46.90	35.39%	10	\$126.78	\$174.80	\$48.02	37.88%
5.	25	\$202.81	\$251.92	\$49.11	24.21%	25	\$188.44	\$240.34	\$51.90	27.54%
6.	50	\$319.95	\$372.74	\$52.79	16.50%	50	\$291.21	\$349.58	\$58.37	20.04%
7.	75	\$437.09	\$493.55	\$56.46	12.92%	75	\$393.98	\$458.82	\$64.84	16.46%
8.	100	\$554.23	\$614.37	\$60.14	10.85%	100	\$496.75	\$568.06	\$71.31	14.36%
9.	125	\$671.37	\$735.19	\$63.82	9.51%	125	\$599.51	\$677.30	\$77.79	12.98%
10.	150	\$788.52	\$856.00	\$67.48	8.56%	150	\$702.28	\$786.54	\$84.26	12.00%
11.	200	\$1,022.80	\$1,097.64	\$74.84	7.32%	200	\$907.82	\$1,005.01	\$97.19	10.71%
12.	250	\$1,257.08	\$1,339.27	\$82.19	6.54%	250	\$1,113.36	\$1,223.49	\$110.13	9.89%
13.	375	\$1,842.79	\$1,943.36	\$100.57	5.46%	375	\$1,627.21	\$1,769.68	\$142.47	8.76%
14.	500	\$2,428.49	\$2,547.44	\$118.95	4.90%	500	\$2,141.05	\$2,315.88	\$174.83	8.17%
TARIFF AREA NUMBER 2:										
15.	0	\$85.67	\$131.10	\$45.43	53.03%	0	\$85.67	\$131.10	\$45.43	53.03%
16.	3	\$100.18	\$146.14	\$45.96	45.88%	3	\$98.68	\$145.02	\$46.34	46.96%
17.	5	\$109.85	\$156.17	\$46.32	42.17%	5	\$107.35	\$154.30	\$46.95	43.74%
18.	10	\$134.04	\$181.23	\$47.19	35.21%	10	\$129.03	\$177.49	\$48.46	37.56%
19.	25	\$206.59	\$256.43	\$49.84	24.13%	25	\$194.08	\$247.07	\$52.99	27.30%
20.	50	\$327.50	\$381.75	\$54.25	16.56%	50	\$302.48	\$363.05	\$60.57	20.02%
21.	75	\$448.42	\$507.08	\$58.66	13.08%	75	\$410.89	\$479.02	\$68.13	16.58%
22.	100	\$569.34	\$632.40	\$63.06	11.08%	100	\$519.30	\$594.99	\$75.69	14.58%
23.	125	\$690.25	\$757.73	\$67.48	9.78%	125	\$627.70	\$710.96	\$83.26	13.26%
24.	150	\$811.17	\$883.05	\$71.88	8.86%	150	\$736.11	\$826.93	\$90.82	12.34%
25.	200	\$1,053.00	\$1,133.70	\$80.70	7.66%	200	\$952.93	\$1,058.87	\$105.94	11.12%
26.	250	\$1,294.84	\$1,384.36	\$89.52	6.91%	250	\$1,169.74	\$1,290.81	\$121.07	10.35%
27.	375	\$1,899.42	\$2,010.98	\$111.56	5.87%	375	\$1,711.78	\$1,870.67	\$158.89	9.28%
28.	500	\$2,504.00	\$2,637.61	\$133.61	5.34%	500	\$2,253.81	\$2,450.53	\$196.72	8.73%
TARIFF AREA NUMBER 3:										
29.	0	\$85.67	\$131.10	\$45.43	53.03%					
30.	3	\$100.69	\$146.75	\$46.06	45.74%					
31.	5	\$110.70	\$157.18	\$46.48	41.99%					
32.	10	\$135.73	\$183.25	\$47.52	35.01%					
33.	25	\$210.81	\$261.48	\$50.67	24.04%					
34.	50	\$335.96	\$391.85	\$55.89	16.64%					
35.	75	\$461.10	\$522.23	\$61.13	13.26%					
36.	100	\$586.25	\$652.60	\$66.35	11.32%					
37.	125	\$711.39	\$782.98	\$71.59	10.06%					
38.	150	\$836.54	\$913.35	\$76.81	9.18%					
39.	200	\$1,086.83	\$1,174.10	\$87.27	8.03%					
40.	250	\$1,337.12	\$1,434.85	\$97.73	7.31%					
41.	375	\$1,962.85	\$2,086.72	\$123.87	6.31%					
42.	500	\$2,588.57	\$2,738.59	\$150.02	5.80%					

SUBURBAN WATER SYSTEMS
 SAN JOSE HILLS, WHITTIER/LA MIRADA SERVICE AREAS
 COMPARISON OF PRESENT AND PROPOSED RATES - MONTHLY BILLS FOR 2" NON RESIDENTIAL METERED SERVICE
 BILLS INCLUDE PUC REIMBURSEMENT SURCHARGE OF 0.68%

TABLE 12-13

Line Number	SAN JOSE HILLS Service Area, 2 Inch Meter					WHITTIER / LA MIRADA Service Area 2 Inch Meter				
	Usage in Ccf	Monthly Bill, Dollars		Increase Dollars	Increase Percent	Usage in Ccf	Monthly Bill, Dollars		Increase Dollars	Increase Percent
		Present SJH-2 Rates	Proposed SJH-2 Rates				Present WLM-2 Rates	Proposed WLM-2 Rates		
TARIFF AREA NUMBER 1:										
1.	0	\$137.07	\$209.77	\$72.70	53.04%	0	\$137.07	\$209.77	\$72.70	53.04%
2.	3	\$151.12	\$224.26	\$73.14	48.40%	3	\$149.40	\$222.87	\$73.47	49.18%
3.	5	\$160.49	\$233.93	\$73.44	45.76%	5	\$157.62	\$231.61	\$73.99	46.94%
4.	10	\$183.92	\$258.09	\$74.17	40.33%	10	\$178.17	\$253.46	\$75.29	42.26%
5.	25	\$254.21	\$330.58	\$76.37	30.04%	25	\$239.83	\$319.00	\$79.17	33.01%
6.	50	\$371.35	\$451.40	\$80.05	21.56%	50	\$342.60	\$428.24	\$85.64	25.00%
7.	75	\$488.49	\$572.22	\$83.73	17.14%	75	\$445.37	\$537.48	\$92.11	20.68%
8.	100	\$605.63	\$693.03	\$87.40	14.43%	100	\$548.14	\$646.72	\$98.58	17.98%
9.	125	\$722.77	\$813.85	\$91.08	12.60%	125	\$650.91	\$755.96	\$105.05	16.14%
10.	150	\$839.91	\$934.67	\$94.76	11.28%	150	\$753.68	\$865.20	\$111.52	14.80%
11.	200	\$1,074.20	\$1,176.30	\$102.10	9.50%	200	\$959.22	\$1,083.67	\$124.45	12.97%
12.	250	\$1,308.48	\$1,417.93	\$109.45	8.36%	250	\$1,164.76	\$1,302.15	\$137.39	11.80%
13.	375	\$1,894.18	\$2,022.02	\$127.84	6.75%	375	\$1,678.60	\$1,848.34	\$169.74	10.11%
14.	500	\$2,479.89	\$2,626.10	\$146.21	5.90%	500	\$2,192.45	\$2,394.54	\$202.09	9.22%
TARIFF AREA NUMBER 2:										
15.	0	\$137.07	\$209.77	\$72.70	53.04%	0	\$137.07	\$209.77	\$72.70	53.04%
16.	3	\$151.58	\$224.80	\$73.22	48.30%	3	\$150.07	\$223.68	\$73.61	49.05%
17.	5	\$161.25	\$234.83	\$73.58	45.63%	5	\$158.75	\$232.96	\$74.21	46.75%
18.	10	\$185.43	\$259.90	\$74.47	40.16%	10	\$180.43	\$256.15	\$75.72	41.97%
19.	25	\$257.98	\$335.09	\$77.11	29.89%	25	\$245.47	\$325.74	\$80.27	32.70%
20.	50	\$378.90	\$460.42	\$81.52	21.51%	50	\$353.88	\$441.71	\$87.83	24.82%
21.	75	\$499.82	\$585.74	\$85.92	17.19%	75	\$462.29	\$557.68	\$95.39	20.63%
22.	100	\$620.73	\$711.07	\$90.34	14.55%	100	\$570.69	\$673.65	\$102.96	18.04%
23.	125	\$741.65	\$836.39	\$94.74	12.77%	125	\$679.10	\$789.62	\$110.52	16.27%
24.	150	\$862.57	\$961.72	\$99.15	11.49%	150	\$787.51	\$905.59	\$118.08	14.99%
25.	200	\$1,104.40	\$1,212.37	\$107.97	9.78%	200	\$1,004.32	\$1,137.53	\$133.21	13.26%
26.	250	\$1,346.23	\$1,463.02	\$116.79	8.68%	250	\$1,221.14	\$1,369.48	\$148.34	12.15%
27.	375	\$1,950.82	\$2,089.64	\$138.82	7.12%	375	\$1,763.17	\$1,949.33	\$186.16	10.56%
28.	500	\$2,555.40	\$2,716.27	\$160.87	6.30%	500	\$2,305.21	\$2,529.19	\$223.98	9.72%
TARIFF AREA NUMBER 3:										
29.	0	\$137.07	\$209.77	\$72.70	53.04%					
30.	3	\$152.08	\$225.41	\$73.33	48.22%					
31.	5	\$162.09	\$235.84	\$73.75	45.50%					
32.	10	\$187.12	\$261.92	\$74.80	39.97%					
33.	25	\$262.21	\$340.14	\$77.93	29.72%					
34.	50	\$387.36	\$470.51	\$83.15	21.47%					
35.	75	\$512.50	\$600.89	\$88.39	17.25%					
36.	100	\$637.65	\$731.26	\$93.61	14.68%					
37.	125	\$762.79	\$861.64	\$98.85	12.96%					
38.	150	\$887.94	\$992.01	\$104.07	11.72%					
39.	200	\$1,138.23	\$1,252.76	\$114.53	10.06%					
40.	250	\$1,388.52	\$1,513.51	\$124.99	9.00%					
41.	375	\$2,014.24	\$2,165.38	\$151.14	7.50%					
42.	500	\$2,639.97	\$2,817.26	\$177.29	6.72%					

SUBURBAN WATER SYSTEMS
 SAN JOSE HILLS, WHITTIER/LA MIRADA SERVICE AREAS
 COMPARISON OF PRESENT AND PROPOSED RATES - MONTHLY BILLS FOR 3" NON RESIDENTIAL METERED SERVICE
 BILLS INCLUDE PUC REIMBURSEMENT SURCHARGE OF 0.68%

TABLE 12-14

Line Number	SAN JOSE HILLS Service Area, 3 Inch Meter					WHITTIER / LA MIRADA Service Area 3 Inch Meter				
	Usage in Ccf	Present SJH-2 Rates	Proposed SJH-2 Rates	Increase Dollars	Percent	Usage in Ccf	Present WLM-2 Rates	Proposed WLM-2 Rates	Increase Dollars	Percent
TARIFF AREA NUMBER 1:										
1.	0	\$257.01	\$393.31	\$136.30	53.03%	0	\$257.01	\$393.31	\$136.30	53.03%
2.	5	\$280.43	\$417.47	\$137.04	48.87%	5	\$277.56	\$415.16	\$137.60	49.57%
3.	10	\$303.86	\$441.64	\$137.78	45.34%	10	\$298.11	\$437.01	\$138.90	46.59%
4.	20	\$350.72	\$489.96	\$139.24	39.70%	20	\$339.22	\$480.70	\$141.48	41.71%
5.	50	\$491.29	\$634.94	\$143.65	29.24%	50	\$462.54	\$611.79	\$149.25	32.27%
6.	75	\$608.43	\$755.76	\$147.33	24.21%	75	\$565.31	\$721.03	\$155.72	27.55%
7.	100	\$725.57	\$876.58	\$151.01	20.81%	100	\$668.08	\$830.26	\$162.18	24.28%
8.	150	\$959.85	\$1,118.21	\$158.36	16.50%	150	\$873.62	\$1,048.74	\$175.12	20.05%
9.	200	\$1,194.14	\$1,359.84	\$165.70	13.88%	200	\$1,079.16	\$1,267.22	\$188.06	17.43%
10.	300	\$1,662.70	\$1,843.11	\$180.41	10.85%	300	\$1,490.24	\$1,704.17	\$213.93	14.36%
11.	400	\$2,131.26	\$2,326.38	\$195.12	9.16%	400	\$1,901.31	\$2,141.13	\$239.82	12.61%
12.	500	\$2,599.83	\$2,809.65	\$209.82	8.07%	500	\$2,312.39	\$2,578.08	\$265.69	11.49%
13.	750	\$3,771.24	\$4,017.81	\$246.57	6.54%	750	\$3,340.08	\$3,670.47	\$330.39	9.89%
14.	1,000	\$4,942.65	\$5,225.98	\$283.33	5.73%	1,000	\$4,367.77	\$4,762.85	\$395.08	9.05%
TARIFF AREA NUMBER 2:										
15.	0	\$257.01	\$393.31	\$136.30	53.03%	0	\$257.01	\$393.31	\$136.30	53.03%
16.	5	\$281.19	\$418.38	\$137.19	48.79%	5	\$278.69	\$416.50	\$137.81	49.45%
17.	10	\$305.37	\$443.44	\$138.07	45.21%	10	\$300.37	\$439.70	\$139.33	46.39%
18.	20	\$353.74	\$493.57	\$139.83	39.53%	20	\$343.73	\$486.09	\$142.36	41.42%
19.	50	\$498.84	\$643.96	\$145.12	29.09%	50	\$473.82	\$625.25	\$151.43	31.96%
20.	75	\$619.76	\$769.29	\$149.53	24.13%	75	\$582.23	\$741.22	\$158.99	27.31%
21.	100	\$740.67	\$894.61	\$153.94	20.78%	100	\$690.63	\$857.19	\$166.56	24.12%
22.	150	\$982.51	\$1,145.26	\$162.75	16.56%	150	\$907.45	\$1,089.14	\$181.69	20.02%
23.	200	\$1,224.34	\$1,395.91	\$171.57	14.01%	200	\$1,124.26	\$1,321.08	\$196.82	17.51%
24.	300	\$1,708.01	\$1,897.21	\$189.20	11.08%	300	\$1,557.89	\$1,784.96	\$227.07	14.58%
25.	400	\$2,191.67	\$2,398.51	\$206.84	9.44%	400	\$1,991.52	\$2,248.85	\$257.33	12.92%
26.	500	\$2,675.34	\$2,899.81	\$224.47	8.39%	500	\$2,425.15	\$2,712.73	\$287.58	11.86%
27.	750	\$3,884.51	\$4,153.07	\$268.56	6.91%	750	\$3,509.22	\$3,872.44	\$363.22	10.35%
28.	1,000	\$5,093.67	\$5,406.32	\$312.65	6.14%	1,000	\$4,593.29	\$5,032.15	\$438.86	9.55%
TARIFF AREA NUMBER 3:										
29.	0	\$257.01	\$393.31	\$136.30	53.03%					
30.	5	\$282.03	\$419.38	\$137.35	48.70%					
31.	10	\$307.06	\$445.46	\$138.40	45.07%					
32.	20	\$357.12	\$497.61	\$140.49	39.34%					
33.	50	\$507.30	\$654.06	\$146.76	28.93%					
34.	75	\$632.44	\$784.43	\$151.99	24.03%					
35.	100	\$757.59	\$914.81	\$157.22	20.75%					
36.	150	\$1,007.88	\$1,175.56	\$167.68	16.64%					
37.	200	\$1,258.17	\$1,436.31	\$178.14	14.16%					
38.	300	\$1,758.75	\$1,957.80	\$199.05	11.32%					
39.	400	\$2,259.33	\$2,479.30	\$219.97	9.74%					
40.	500	\$2,759.91	\$3,000.80	\$240.89	8.73%					
41.	750	\$4,011.36	\$4,304.55	\$293.19	7.31%					
42.	1,000	\$5,262.82	\$5,608.29	\$345.47	6.56%					

SUBURBAN WATER SYSTEMS
 SAN JOSE HILLS, WHITTIER/LA MIRADA SERVICE AREAS
 COMPARISON OF PRESENT AND PROPOSED RATES - MONTHLY BILLS FOR 4" NON RESIDENTIAL METERED SERVICE
 BILLS INCLUDE PUC REIMBURSEMENT SURCHARGE OF 0.68%

TABLE 12-15

Line Number	SAN JOSE HILLS Service Area, 4 Inch Meter					WHITTIER / LA MIRADA Service Area, 4 Inch Meter				
	Usage in Ccf	Present SJH-2 Rates	Proposed SJH-2 Rates	Increase Dollars	Increase Percent	Usage in Ccf	Present WLM-2 Rates	Proposed WLM-2 Rates	Increase Dollars	Increase Percent
TARIFF AREA NUMBER 1:										
1.	0	\$428.33	\$655.52	\$227.19	53.04%	0	\$428.33	\$655.52	\$227.19	53.04%
2.	5	\$451.76	\$679.68	\$227.92	50.45%	5	\$448.89	\$677.36	\$228.47	50.90%
3.	10	\$475.19	\$703.84	\$228.65	48.12%	10	\$469.44	\$699.21	\$229.77	48.95%
4.	20	\$522.05	\$752.17	\$230.12	44.08%	20	\$510.55	\$742.91	\$232.36	45.51%
5.	50	\$662.62	\$897.15	\$234.53	35.39%	50	\$633.87	\$873.99	\$240.12	37.88%
6.	75	\$779.76	\$1,017.97	\$238.21	30.55%	75	\$736.64	\$983.23	\$246.59	33.47%
7.	100	\$896.90	\$1,138.78	\$241.88	26.97%	100	\$839.41	\$1,092.47	\$253.06	30.15%
8.	150	\$1,131.18	\$1,380.42	\$249.24	22.03%	150	\$1,044.95	\$1,310.95	\$266.00	25.46%
9.	200	\$1,365.46	\$1,622.05	\$256.59	18.79%	200	\$1,250.49	\$1,529.43	\$278.94	22.31%
10.	300	\$1,834.03	\$2,105.32	\$271.29	14.79%	300	\$1,661.56	\$1,966.38	\$304.82	18.35%
11.	400	\$2,302.59	\$2,588.59	\$286.00	12.42%	400	\$2,072.64	\$2,403.33	\$330.69	15.96%
12.	500	\$2,771.16	\$3,071.85	\$300.69	10.85%	500	\$2,483.72	\$2,840.29	\$356.57	14.36%
13.	750	\$3,942.57	\$4,280.02	\$337.45	8.56%	750	\$3,511.41	\$3,932.68	\$421.27	12.00%
14.	1,000	\$5,113.98	\$5,488.19	\$374.21	7.32%	1,000	\$4,539.10	\$5,025.06	\$485.96	10.71%
TARIFF AREA NUMBER 2:										
15.	0	\$428.33	\$655.52	\$227.19	53.04%	0	\$428.33	\$655.52	\$227.19	53.04%
16.	5	\$452.52	\$680.58	\$228.06	50.40%	5	\$450.01	\$678.71	\$228.70	50.82%
17.	10	\$476.70	\$705.65	\$228.95	48.03%	10	\$471.70	\$701.91	\$230.21	48.80%
18.	20	\$525.07	\$755.78	\$230.71	43.94%	20	\$515.06	\$748.29	\$233.23	45.28%
19.	50	\$670.17	\$906.17	\$236.00	35.21%	50	\$645.15	\$887.46	\$242.31	37.56%
20.	75	\$791.08	\$1,031.49	\$240.41	30.39%	75	\$753.55	\$1,003.43	\$249.88	33.16%
21.	100	\$912.00	\$1,156.82	\$244.82	26.84%	100	\$861.96	\$1,119.40	\$257.44	29.87%
22.	150	\$1,153.83	\$1,407.47	\$253.64	21.98%	150	\$1,078.78	\$1,351.34	\$272.56	25.27%
23.	200	\$1,395.67	\$1,658.12	\$262.45	18.80%	200	\$1,295.59	\$1,583.29	\$287.70	22.21%
24.	300	\$1,879.33	\$2,159.42	\$280.09	14.90%	300	\$1,729.22	\$2,047.17	\$317.95	18.39%
25.	400	\$2,363.00	\$2,660.72	\$297.72	12.60%	400	\$2,162.85	\$2,511.05	\$348.20	16.10%
26.	500	\$2,846.67	\$3,162.02	\$315.35	11.08%	500	\$2,596.48	\$2,974.94	\$378.46	14.58%
27.	750	\$4,055.83	\$4,415.27	\$359.44	8.86%	750	\$3,680.55	\$4,134.65	\$454.10	12.34%
28.	1,000	\$5,265.00	\$5,668.52	\$403.52	7.66%	1,000	\$4,764.62	\$5,294.36	\$529.74	11.12%
TARIFF AREA NUMBER 3:										
29.	0	\$428.33	\$655.52	\$227.19	53.04%					
30.	5	\$453.36	\$681.59	\$228.23	50.34%					
31.	10	\$478.39	\$707.67	\$229.28	47.93%					
32.	20	\$528.45	\$759.82	\$231.37	43.78%					
33.	50	\$678.62	\$916.27	\$237.65	35.02%					
34.	75	\$803.77	\$1,046.64	\$242.87	30.22%					
35.	100	\$928.91	\$1,177.01	\$248.10	26.71%					
36.	150	\$1,179.20	\$1,437.76	\$258.56	21.93%					
37.	200	\$1,429.49	\$1,698.51	\$269.02	18.82%					
38.	300	\$1,930.08	\$2,220.01	\$289.93	15.02%					
39.	400	\$2,430.66	\$2,741.51	\$310.85	12.79%					
40.	500	\$2,931.24	\$3,263.01	\$331.77	11.32%					
41.	750	\$4,182.69	\$4,566.75	\$384.06	9.18%					
42.	1,000	\$5,434.14	\$5,870.50	\$436.36	8.03%					

SUBURBAN WATER SYSTEMS
 SAN JOSE HILLS, WHITTIER/LA MIRADA SERVICE AREAS
 COMPARISON OF PRESENT AND PROPOSED RATES - MONTHLY BILLS FOR 6" NON RESIDENTIAL METERED SERVICE
 BILLS INCLUDE PUC REIMBURSEMENT SURCHARGE OF 0.68%

TABLE 12-16

Line Number	SAN JOSE HILLS Service Area, 6 Inch Meter					WHITTIER / LA MIRADA Service Area, 6 Inch Meter				
	Usage in Ccf	Present SJH-2 Rates	Proposed SJH-2 Rates	Increase Dollars	Increase Percent	Usage in Ccf	Present WLM-2 Rates	Proposed WLM-2 Rates	Increase Dollars	Increase Percent
TARIFF AREA NUMBER 1:										
1.	0	\$856.68	\$1,311.03	\$454.35	53.04%	0	\$856.68	\$1,311.03	\$454.35	53.04%
2.	5	\$880.10	\$1,335.20	\$455.10	51.71%	5	\$877.23	\$1,332.88	\$455.65	51.94%
3.	10	\$903.53	\$1,359.36	\$455.83	50.45%	10	\$897.78	\$1,354.73	\$456.95	50.90%
4.	20	\$950.39	\$1,407.69	\$457.30	48.12%	20	\$938.89	\$1,398.42	\$459.53	48.94%
5.	50	\$1,090.96	\$1,552.67	\$461.71	42.32%	50	\$1,062.21	\$1,529.51	\$467.30	43.99%
6.	75	\$1,208.10	\$1,673.48	\$465.38	38.52%	75	\$1,164.98	\$1,638.75	\$473.77	40.67%
7.	100	\$1,325.24	\$1,794.30	\$469.06	35.39%	100	\$1,267.75	\$1,747.99	\$480.24	37.88%
8.	150	\$1,559.52	\$2,035.93	\$476.41	30.55%	150	\$1,473.29	\$1,966.47	\$493.18	33.47%
9.	200	\$1,793.81	\$2,277.57	\$483.76	26.97%	200	\$1,678.83	\$2,184.94	\$506.11	30.15%
10.	300	\$2,262.37	\$2,760.84	\$498.47	22.03%	300	\$2,089.91	\$2,621.90	\$531.99	25.46%
11.	400	\$2,730.93	\$3,244.10	\$513.17	18.79%	400	\$2,500.98	\$3,058.85	\$557.87	22.31%
12.	500	\$3,199.50	\$3,727.37	\$527.87	16.50%	500	\$2,912.06	\$3,495.81	\$583.75	20.05%
13.	750	\$4,370.91	\$4,935.54	\$564.63	12.92%	750	\$3,939.75	\$4,588.19	\$648.44	16.46%
14.	1,000	\$5,542.32	\$6,143.71	\$601.39	10.85%	1,000	\$4,967.44	\$5,680.58	\$713.14	14.36%
TARIFF AREA NUMBER 2:										
15.	0	\$856.68	\$1,311.03	\$454.35	53.04%	0	\$856.68	\$1,311.03	\$454.35	53.04%
16.	5	\$880.86	\$1,336.10	\$455.24	51.68%	5	\$878.36	\$1,334.23	\$455.87	51.90%
17.	10	\$905.04	\$1,361.16	\$456.12	50.40%	10	\$900.04	\$1,357.42	\$457.38	50.82%
18.	20	\$953.41	\$1,411.29	\$457.88	48.03%	20	\$943.40	\$1,403.81	\$460.41	48.80%
19.	50	\$1,098.51	\$1,561.68	\$463.17	42.16%	50	\$1,073.49	\$1,542.98	\$469.49	43.73%
20.	75	\$1,219.43	\$1,687.01	\$467.58	38.34%	75	\$1,181.90	\$1,658.95	\$477.05	40.36%
21.	100	\$1,340.34	\$1,812.33	\$471.99	35.21%	100	\$1,290.30	\$1,774.92	\$484.62	37.56%
22.	150	\$1,582.18	\$2,062.98	\$480.80	30.39%	150	\$1,507.12	\$2,006.86	\$499.74	33.16%
23.	200	\$1,824.01	\$2,313.63	\$489.62	26.84%	200	\$1,723.93	\$2,238.80	\$514.87	29.87%
24.	300	\$2,307.68	\$2,814.94	\$507.26	21.98%	300	\$2,157.56	\$2,702.69	\$545.13	25.27%
25.	400	\$2,791.34	\$3,316.24	\$524.90	18.80%	400	\$2,591.19	\$3,166.57	\$575.38	22.21%
26.	500	\$3,275.01	\$3,817.54	\$542.53	16.57%	500	\$3,024.82	\$3,630.46	\$605.64	20.02%
27.	750	\$4,484.18	\$5,070.79	\$586.61	13.08%	750	\$4,108.89	\$4,790.17	\$681.28	16.58%
28.	1,000	\$5,693.34	\$6,324.04	\$630.70	11.08%	1,000	\$5,192.96	\$5,949.88	\$756.92	14.58%
TARIFF AREA NUMBER 3:										
29.	0	\$856.68	\$1,311.03	\$454.35	53.04%					
30.	5	\$881.71	\$1,337.11	\$455.40	51.65%					
31.	10	\$906.73	\$1,363.18	\$456.45	50.34%					
32.	20	\$956.79	\$1,415.33	\$458.54	47.92%					
33.	50	\$1,106.97	\$1,571.78	\$464.81	41.99%					
34.	75	\$1,232.11	\$1,702.16	\$470.05	38.15%					
35.	100	\$1,357.26	\$1,832.53	\$475.27	35.02%					
36.	150	\$1,607.55	\$2,093.28	\$485.73	30.22%					
37.	200	\$1,857.84	\$2,354.03	\$496.19	26.71%					
38.	300	\$2,358.42	\$2,875.53	\$517.11	21.93%					
39.	400	\$2,859.00	\$3,397.03	\$538.03	18.82%					
40.	500	\$3,359.58	\$3,918.52	\$558.94	16.64%					
41.	750	\$4,611.03	\$5,222.27	\$611.24	13.26%					
42.	1,000	\$5,862.49	\$6,526.01	\$663.52	11.32%					

SUBURBAN WATER SYSTEMS
 SAN JOSE HILLS, WHITTIER/LA MIRADA SERVICE AREAS
 COMPARISON OF PRESENT AND PROPOSED RATES - MONTHLY BILLS FOR 8" NON RESIDENTIAL METERED SERVICE
 BILLS INCLUDE PUC REIMBURSEMENT SURCHARGE OF 0.68%

TABLE 12-17

Line Number	SAN JOSE HILLS Service Area, 8 Inch Meter					WHITTIER / LA MIRADA Service Area, 8 Inch Meter				
	Usage in Ccf	Present SJH-2 Rates	Proposed SJH-2 Rates	Increase Dollars	Increase Percent	Usage in Ccf	Present WLM-2 Rates	Proposed WLM-2 Rates	Increase Dollars	Increase Percent
TARIFF AREA NUMBER 1:										
1.	0	\$1,370.68	\$2,097.65	\$726.97	53.04%	0	\$1,370.68	\$2,097.65	\$726.97	53.04%
2.	5	\$1,394.11	\$2,121.82	\$727.71	52.20%	5	\$1,391.23	\$2,119.50	\$728.27	52.35%
3.	10	\$1,417.53	\$2,145.98	\$728.45	51.39%	10	\$1,411.79	\$2,141.35	\$729.56	51.68%
4.	20	\$1,464.39	\$2,194.31	\$729.92	49.84%	20	\$1,452.89	\$2,185.04	\$732.15	50.39%
5.	50	\$1,604.96	\$2,339.29	\$734.33	45.75%	50	\$1,576.22	\$2,316.13	\$739.91	46.94%
6.	75	\$1,722.10	\$2,460.10	\$738.00	42.85%	75	\$1,678.98	\$2,425.37	\$746.39	44.45%
7.	100	\$1,839.24	\$2,580.92	\$741.68	40.33%	100	\$1,781.75	\$2,534.61	\$752.86	42.25%
8.	150	\$2,073.52	\$2,822.55	\$749.03	36.12%	150	\$1,987.29	\$2,753.08	\$765.79	38.53%
9.	200	\$2,307.81	\$3,064.19	\$756.38	32.77%	200	\$2,192.83	\$2,971.56	\$778.73	35.51%
10.	300	\$2,776.37	\$3,547.46	\$771.09	27.77%	300	\$2,603.91	\$3,408.52	\$804.61	30.90%
11.	400	\$3,244.94	\$4,030.72	\$785.78	24.22%	400	\$3,014.98	\$3,845.47	\$830.49	27.55%
12.	500	\$3,713.50	\$4,513.99	\$800.49	21.56%	500	\$3,426.06	\$4,282.43	\$856.37	25.00%
13.	750	\$4,884.91	\$5,722.16	\$837.25	17.14%	750	\$4,453.75	\$5,374.81	\$921.06	20.68%
14.	1,000	\$6,056.32	\$6,930.33	\$874.01	14.43%	1,000	\$5,481.44	\$6,467.20	\$985.76	17.98%
TARIFF AREA NUMBER 2:										
15.	0	\$1,370.68	\$2,097.65	\$726.97	53.04%	0	\$1,370.68	\$2,097.65	\$726.97	53.04%
16.	5	\$1,394.86	\$2,122.72	\$727.86	52.18%	5	\$1,392.36	\$2,120.85	\$728.49	52.32%
17.	10	\$1,419.04	\$2,147.78	\$728.74	51.35%	10	\$1,414.04	\$2,144.04	\$730.00	51.63%
18.	20	\$1,467.41	\$2,197.91	\$730.50	49.78%	20	\$1,457.40	\$2,190.43	\$733.03	50.30%
19.	50	\$1,612.51	\$2,348.30	\$735.79	45.63%	50	\$1,587.49	\$2,329.60	\$742.11	46.75%
20.	75	\$1,733.43	\$2,473.63	\$740.20	42.70%	75	\$1,695.90	\$2,445.57	\$749.67	44.20%
21.	100	\$1,854.34	\$2,598.95	\$744.61	40.15%	100	\$1,804.31	\$2,561.54	\$757.23	41.97%
22.	150	\$2,096.18	\$2,849.60	\$753.42	35.94%	150	\$2,021.12	\$2,793.48	\$772.36	38.21%
23.	200	\$2,338.01	\$3,100.25	\$762.24	32.60%	200	\$2,237.94	\$3,025.42	\$787.48	35.19%
24.	300	\$2,821.68	\$3,601.56	\$779.88	27.64%	300	\$2,671.56	\$3,489.31	\$817.75	30.61%
25.	400	\$3,305.34	\$4,102.86	\$797.52	24.13%	400	\$3,105.19	\$3,953.19	\$848.00	27.31%
26.	500	\$3,789.01	\$4,604.16	\$815.15	21.51%	500	\$3,538.82	\$4,417.08	\$878.26	24.82%
27.	750	\$4,998.18	\$5,857.41	\$859.23	17.19%	750	\$4,622.89	\$5,576.79	\$953.90	20.63%
28.	1,000	\$6,207.34	\$7,110.66	\$903.32	14.55%	1,000	\$5,706.97	\$6,736.50	\$1,029.53	18.04%
TARIFF AREA NUMBER 3:										
29.	0	\$1,370.68	\$2,097.65	\$726.97	53.04%					
30.	5	\$1,395.71	\$2,123.73	\$728.02	52.16%					
31.	10	\$1,420.74	\$2,149.80	\$729.06	51.32%					
32.	20	\$1,470.79	\$2,201.95	\$731.16	49.71%					
33.	50	\$1,620.97	\$2,358.40	\$737.43	45.49%					
34.	75	\$1,746.11	\$2,488.78	\$742.67	42.53%					
35.	100	\$1,871.26	\$2,619.15	\$747.89	39.97%					
36.	150	\$2,121.55	\$2,879.90	\$758.35	35.75%					
37.	200	\$2,371.84	\$3,140.65	\$768.81	32.41%					
38.	300	\$2,872.42	\$3,662.15	\$789.73	27.49%					
39.	400	\$3,373.00	\$4,183.65	\$810.65	24.03%					
40.	500	\$3,873.58	\$4,705.14	\$831.56	21.47%					
41.	750	\$5,125.03	\$6,008.89	\$883.86	17.25%					
42.	1,000	\$6,376.49	\$7,312.63	\$936.14	14.68%					

SUBURBAN WATER SYSTEMS
 SAN JOSE HILLS SERVICE AREA
 COMPARISON OF PRESENT AND PROPOSED RATES - MONTHLY BILLS FOR 10" NON RESIDENTIAL METERED SERVICE
 BILLS INCLUDE PUC REIMBURSEMENT SURCHARGE OF 0.68%

TABLE 12-18

Line Number	SAN JOSE HILLS Service Area, 10 Inch Meter				
	Usage in Ccf	Monthly Bill, Dollars		Increase	
		Present SJH-2 Rates	Proposed SJH-2 Rates	Dollars	Percent
TARIFF AREA NUMBER 1:					
1.	0	\$1,970.35	\$3,015.38	\$1,045.03	53.04%
2.	3	\$1,984.40	\$3,029.87	\$1,045.47	52.68%
3.	5	\$1,993.78	\$3,039.54	\$1,045.76	52.45%
4.	10	\$2,017.20	\$3,063.70	\$1,046.50	51.88%
5.	25	\$2,087.49	\$3,136.19	\$1,048.70	50.24%
6.	50	\$2,204.63	\$3,257.01	\$1,052.38	47.73%
7.	75	\$2,321.77	\$3,377.83	\$1,056.06	45.49%
8.	100	\$2,438.91	\$3,498.64	\$1,059.73	43.45%
9.	125	\$2,556.05	\$3,619.46	\$1,063.41	41.60%
10.	150	\$2,673.19	\$3,740.28	\$1,067.09	39.92%
11.	200	\$2,907.48	\$3,981.91	\$1,074.43	36.95%
12.	250	\$3,141.76	\$4,223.54	\$1,081.78	34.43%
13.	375	\$3,727.47	\$4,827.63	\$1,100.16	29.51%
14.	500	\$4,313.17	\$5,431.71	\$1,118.54	25.93%
TARIFF AREA NUMBER 2:					
15.	0	\$1,970.35	\$3,015.38	\$1,045.03	53.04%
16.	3	\$1,984.86	\$3,030.42	\$1,045.56	52.68%
17.	5	\$1,994.53	\$3,040.44	\$1,045.91	52.44%
18.	10	\$2,018.71	\$3,065.51	\$1,046.80	51.85%
19.	25	\$2,091.26	\$3,140.70	\$1,049.44	50.18%
20.	50	\$2,212.18	\$3,266.03	\$1,053.85	47.64%
21.	75	\$2,333.10	\$3,391.35	\$1,058.25	45.36%
22.	100	\$2,454.01	\$3,516.68	\$1,062.67	43.30%
23.	125	\$2,574.93	\$3,642.00	\$1,067.07	41.44%
24.	150	\$2,695.85	\$3,767.33	\$1,071.48	39.75%
25.	200	\$2,937.68	\$4,017.98	\$1,080.30	36.77%
26.	250	\$3,179.51	\$4,268.63	\$1,089.12	34.25%
27.	375	\$3,784.10	\$4,895.25	\$1,111.15	29.36%
28.	500	\$4,388.68	\$5,521.88	\$1,133.20	25.82%
TARIFF AREA NUMBER 3:					
29.	0	\$1,970.35	\$3,015.38	\$1,045.03	53.04%
30.	3	\$1,985.37	\$3,031.02	\$1,045.65	52.67%
31.	5	\$1,995.38	\$3,041.45	\$1,046.07	52.42%
32.	10	\$2,020.41	\$3,067.53	\$1,047.12	51.83%
33.	25	\$2,095.49	\$3,145.75	\$1,050.26	50.12%
34.	50	\$2,220.64	\$3,276.13	\$1,055.49	47.53%
35.	75	\$2,345.78	\$3,406.50	\$1,060.72	45.22%
36.	100	\$2,470.93	\$3,536.87	\$1,065.94	43.14%
37.	125	\$2,596.07	\$3,667.25	\$1,071.18	41.26%
38.	150	\$2,721.22	\$3,797.62	\$1,076.40	39.56%
39.	200	\$2,971.51	\$4,058.37	\$1,086.86	36.58%
40.	250	\$3,221.80	\$4,319.12	\$1,097.32	34.06%
41.	375	\$3,847.53	\$4,970.99	\$1,123.46	29.20%
42.	500	\$4,473.25	\$5,622.87	\$1,149.62	25.70%

SUBURBAN WATER SYSTEMS
 SAN JOSE HILLS, and WHITTIER/LA MIRADA SERVICE AREAS
 CONSERVATION USAGE RATES FOR RESIDENTIAL CUSTOMERS AT PRESENT RATES

TABLE 12-19

Line Number		SAN JOSE HILLS SERVICE AREA			
		Estimated Usage (Ccf)		Test Year Usage (Ccf)	
		2025	2026	2027	2028
1.	Tariff Area 1	2,991,879	2,920,088	2,814,010	2,759,553
2.	Tariff Area 2	2,351,774	2,295,342	2,211,960	2,169,153
3.	Tariff Area 3	653,318	637,641	614,478	602,586
4.		5,996,971	5,853,071	5,640,448	5,531,292

		WHITTIER/LA MIRADA SERVICE AREA			
		Estimated Usage (Ccf)		Test Year Usage (Ccf)	
		2025	2026	2027	2028
	Tariff Area 1	379,549	373,340	362,365	357,874
	Tariff Area 2	4,550,542	4,476,093	4,344,518	4,290,669
	Tariff Area 3	30,014	29,523	28,655	28,300
		4,960,105	4,878,956	4,735,538	4,676,843

PRESENT RATES:		Adopted 2007 Usage	Calculated 2024 Usage	PRESENT RATES: 2027 & 2028
5.	T.A. 1 Tier 1	3,976,660	2,253,394	\$4.478
6.	Tier 2	1,057,975	527,056	\$4.975
7.	Tier 3		248,291	\$5.528
8.	T.A. 2 Tier 1	3,110,966	1,658,500	\$4.579
9.	Tier 2	1,054,384	454,342	\$5.087
10.	Tier 3		288,762	\$5.652
11.	T.A. 3 Tier 1	801,425	463,028	\$4.803
12.	Tier 2	177,075	117,244	\$5.337
13.	Tier 3		47,532	\$5.930
14.		10,178,485	6,058,149	6,058,149

PRESENT RATES:		Adopted 2007 Usage	Calculated 2024 Usage	PRESENT RATES: 2027 & 2028
T.A. 1	Tier 1	444,044	394,259	\$3.987
	Tier 2	81,812	76,532	\$4.429
	Tier 3		41,594	\$5.128
T.A. 2	Tier 1	5,191,064	3,157,086	\$4.138
	Tier 2	1,311,752	779,228	\$4.597
	Tier 3		360,503	\$5.108
T.A. 3	Tier 1	23,179	13,706	\$4.400
	Tier 2	21,875	6,893	\$4.890
	Tier 3		7,213	\$5.433
		7,073,726	4,837,014	4,837,014

		Estimated Usage (Ccf)		Test Year Usage (Ccf)	
		2025	2026	2027	2028
15.	Tariff Area 1 Tier 1	2,363,167	2,306,463	2,093,633	2,053,117
16.	Tier 2	628,712	613,625	489,689	480,212
17.	Tier 3			230,688	226,223
18.	Tariff Area 2 Tier 1	1,756,464	1,714,317	1,527,536	1,497,974
19.	Tier 2	595,310	581,025	418,465	410,367
20.	Tier 3			265,959	260,812
21.	Tariff Area 3 Tier 1	535,090	522,250	453,200	444,429
22.	Tier 2	118,228	115,391	114,755	112,534
23.	Tier 3			46,523	45,623
24.		5,996,971	5,853,071	5,640,448	5,531,292

		Estimated Usage (Ccf)		Test Year Usage (Ccf)	
		2025	2026	2027	2028
Tariff Area 1	Tier 1	320,499	315,256	278,825	275,369
	Tier 2	59,050	58,084	54,125	53,454
	Tier 3			29,415	29,051
Tariff Area 2	Tier 1	3,632,604	3,573,173	3,192,134	3,152,569
	Tier 2	917,938	902,920	787,879	778,113
	Tier 3			364,505	359,987
Tariff Area 3	Tier 1	15,441	15,189	14,121	13,946
	Tier 2	14,573	14,334	7,102	7,014
	Tier 3			7,432	7,340
		4,960,105	4,878,956	4,735,538	4,676,843

		Present (Est.) Rate/Ccf	Estimated Revenue (\$)		Test Year Revenue (\$)	
			2025	2026	2027	2028
			19.	T.A. 1 Tier 1	\$4.514	\$10,376,668
20.	Tier 2	\$5.066	\$3,098,291	\$3,108,626	\$2,436,433	\$2,389,283
	Tier 3				\$1,275,311	\$1,250,631
21.	T.A. 2 Tier 1	\$4.697	\$8,025,286	\$8,052,148	\$6,993,837	\$6,858,489
22.	Tier 2	\$5.179	\$2,998,574	\$3,009,128	\$2,128,829	\$2,087,631
	Tier 3				\$1,503,330	\$1,474,237
23.	T.A. 3 Tier 1	\$4.899	\$2,549,703	\$2,558,502	\$2,176,703	\$2,134,577
24.	Tier 2	\$5.599	\$643,871	\$646,075	\$612,406	\$600,554
	Tier 3				\$275,862	\$270,523
25.			\$27,692,393	\$27,785,851	\$26,777,844	\$26,259,629

		Present (Est.) Rate/Ccf	Estimated Revenue (\$)		Test Year Revenue (\$)	
			2025	2026	2027	2028
			T.A. 1	Tier 1	\$3.973	\$1,238,409
	Tier 2	\$4.484	\$257,516	\$260,448	\$239,734	\$236,763
	Tier 3				\$144,766	\$142,972
T.A. 2	Tier 1	\$4.221	\$14,915,472	\$15,082,362	\$13,208,816	\$13,045,096
	Tier 2	\$4.654	\$4,155,506	\$4,202,191	\$3,621,976	\$3,577,082
	Tier 3				\$1,861,818	\$1,838,741
T.A. 3	Tier 1	\$4.563	\$68,529	\$69,306	\$62,139	\$61,369
	Tier 2	\$4.950	\$70,167	\$70,955	\$34,726	\$34,296
	Tier 3				\$40,378	\$39,878
			\$20,705,598	\$20,937,774	\$20,285,532	\$20,034,101

2025 Rates

26.	T.A. 1 - Tier 1	\$4.391	
27.	T.A. 1 - Tier 2	\$4.928	T.A. 3 - Tier 1 \$4.765
28.	T.A. 2 - Tier 1	\$4.569	T.A. 3 - Tier 2 \$5.446
29.	T.A. 2 - Tier 2	\$5.037	

2025 Rates

T.A. 1 - Tier 1	\$3.864	
T.A. 1 - Tier 2	\$4.361	T.A. 3 - Tier 1 \$4.438
T.A. 2 - Tier 1	\$4.106	T.A. 3 - Tier 2 \$4.815
T.A. 2 - Tier 2	\$4.527	

SUBURBAN WATER SYSTEMS
 SAN JOSE HILLS, and WHITTIER/LA MIRADA SERVICE AREAS
CONSERVATION USAGE RATES FOR RESIDENTIAL CUSTOMERS AT PROPOSED RATES

TABLE 12-20

			SAN JOSE HILLS SERVICE AREA RESIDENTIAL SALES (601.11.)		
Line Number			2027 @ 2027 Rates	2028 @ 2027 Rates	2028 @ 2028 Rates
Usage by Tariff Area					
1.	Tariff Area 1 Usage		2,814,010	2,759,553	2,759,553
2.	Tariff Area 2 Usage		2,211,960	2,169,153	2,169,153
3.	Tariff Area 3 Usage		614,478	602,586	602,586
4.	SUBTOTAL USAGE		5,640,448	5,531,292	5,531,292
Usage Rate by Tariff Area per 100 cubic feet					
5.	Tariff Area 1 Usage		\$4.800	\$4.800	\$5.248
6.	Tariff Area 2 Usage		\$4.979	\$4.979	\$5.444
7.	Tariff Area 3 Usage		\$5.180	\$5.180	\$5.662
Usage Revenue by Tariff Area					
8.	Tariff Area 1 Usage		\$13,507,339	\$13,245,944	\$14,483,022
9.	Tariff Area 2 Usage		\$11,013,678	\$10,800,536	\$11,808,106
10.	Tariff Area 3 Usage		\$3,182,848	\$3,121,250	\$3,412,091
11.	SUBTOTAL USAGE REVENUE		\$27,703,865	\$27,167,730	\$29,703,219 (c)
CONSERVATION USAGE BY Tariff Area (Ccf)					
12.	Tariff Area 1	Tier 1	2,093,633	2,053,117	2,053,117
13.		Tier 2	489,689	480,212	480,212
14.		Tier 3	230,688	226,223	226,223
15.	Tariff Area 2	Tier 1	1,527,536	1,497,974	1,497,974
16.		Tier 2	418,465	410,367	410,367
17.		Tier 3	265,959	260,812	260,812
18.	Tariff Area 3	Tier 1	453,200	444,429	444,429
19.		Tier 2	114,755	112,534	112,534
20.		Tier 3	46,523	45,623	45,623
21.			5,640,448	5,531,292	5,531,292
CONSERVATION USAGE RATE by ZONE per 100 CUBIC FEET = (c / b) x a					
19.	T.A. 1	Calibrator Tier 1	\$4.633	\$4.633	\$5.065
20.		Tier 2	\$5.148	\$5.148	\$5.628
		Tier 3	\$5.719	\$5.719	\$6.253
21.	T.A. 2	Tier 1	\$4.737	\$4.737	\$5.179
22.		Tier 2	\$5.263	\$5.263	\$5.754
		Tier 3	\$5.848	\$5.848	\$6.394
23.	T.A. 3	Tier 1	\$4.969	\$4.969	\$5.433
24.		Tier 2	\$5.521	\$5.521	\$6.036
		Tier 3	\$6.135	\$6.135	\$6.707
CONSERVATION USAGE REVENUE BY T.A.					
25.	T.A. 1	Tier 1	\$9,699,339	\$9,511,637	\$10,399,332
26.		Tier 2	\$2,520,689	\$2,471,909	\$2,702,605
		Tier 3	\$1,319,413	\$1,293,880	\$1,414,634
27.	T.A. 2	Tier 1	\$7,235,696	\$7,095,667	\$7,757,886
28.		Tier 2	\$2,202,448	\$2,159,825	\$2,361,395
		Tier 3	\$1,555,318	\$1,525,218	\$1,667,563
29.	T.A. 3	Tier 1	\$2,251,977	\$2,208,394	\$2,414,498
30.		Tier 2	\$633,584	\$621,322	\$679,308
		Tier 3	\$285,402	\$279,878	\$305,999
31.			\$27,703,865	\$27,167,730	\$29,703,219

			WHITTIER/LA MIRADA SERVICE AREA RESIDENTIAL SALES (601.11.)		
Line Number			2027 @ 2027 Rates	2028 @ 2027 Rates	2028 @ 2028 Rates
Usage by Tariff Area					
	Tariff Area 1 Usage		362,365	357,874	357,874
	Tariff Area 2 Usage		4,344,518	4,290,669	4,290,669
	Tariff Area 3 Usage		28,655	28,300	28,300
	SUBTOTAL USAGE		4,735,538	4,676,843	4,676,843
Usage Rate by Tariff Area per 100 cubic feet					
	Tariff Area 1 Usage		\$4.340	\$4.340	\$4.770
	Tariff Area 2 Usage		\$4.608	\$4.608	\$5.062
	Tariff Area 3 Usage		\$5.071	\$5.071	\$5.567
Usage Revenue by Tariff Area					
	Tariff Area 1 Usage		\$1,572,676	\$1,553,185	\$1,707,174
	Tariff Area 2 Usage		\$20,017,422	\$19,769,312	\$21,719,406
	Tariff Area 3 Usage		\$145,305	\$143,504	\$157,553
	SUBTOTAL USAGE REVENUE		\$21,735,403	\$21,466,001	\$23,584,133 (c)
CONSERVATION USAGE BY Tariff Area (Ccf)					
	Tariff Area 1	Tier 1	278,825	275,369	275,369
		Tier 2	54,125	53,454	53,454
		Tier 3	29,415	29,051	29,051
	Tariff Area 2	Tier 1	3,192,134	3,152,569	3,152,569
		Tier 2	787,879	778,113	778,113
		Tier 3	364,505	359,987	359,987
	Tariff Area 3	Tier 1	14,121	13,946	13,946
		Tier 2	7,102	7,014	7,014
		Tier 3	7,432	7,340	7,340
			4,735,538	4,676,843	4,676,843
CONSERVATION USAGE RATE by ZONE per 100 CUBIC FEET = (c / b) x a					
	T.A. 1	Calibrator Tier 1	\$4.263	\$4.263	\$4.684
		Tier 2	\$4.736	\$4.736	\$5.204
		Tier 3	\$5.263	\$5.263	\$5.782
	T.A. 2	Tier 1	\$4.425	\$4.425	\$4.861
		Tier 2	\$4.916	\$4.916	\$5.401
		Tier 3	\$5.462	\$5.462	\$6.001
	T.A. 3	Tier 1	\$4.706	\$4.706	\$5.170
		Tier 2	\$5.229	\$5.229	\$5.745
		Tier 3	\$5.810	\$5.810	\$6.383
CONSERVATION USAGE REVENUE BY T.A.					
	T.A. 1	Tier 1	\$1,188,638	\$1,173,906	\$1,289,740
		Tier 2	\$256,358	\$253,181	\$278,163
		Tier 3	\$154,805	\$152,887	\$167,973
	T.A. 2	Tier 1	\$14,124,776	\$13,949,704	\$15,326,173
		Tier 2	\$3,873,140	\$3,825,134	\$4,202,574
		Tier 3	\$1,990,925	\$1,966,248	\$2,160,265
	T.A. 3	Tier 1	\$66,448	\$65,625	\$72,100
		Tier 2	\$37,134	\$36,674	\$40,293
		Tier 3	\$43,178	\$42,643	\$46,851
			\$21,735,403	\$21,466,002	\$23,584,132

■ **Chapter - Water Quality Issues**

See Direct Testimony of Michael De Ghetto.

■ Chapter – Proposed Rate Case Schedule

Proposed 2026 General Rate Case Schedule
Suburban Water Systems

No.	EVENT	DATE	14-Month Schedule	Item Scheduled Shift Due to Holidays/ Weekends
1.	Proposed Application Tendered	Mon, 11/03/25	(60)	1
2.	Deficiency Letter Mailed	Tue, 12/02/25	(30)	
3.	Appeal to Executive Director	Mon, 12/08/25	(25)	1
4.	Executive Director Acts	Fri, 12/12/25	(20)	
5.	Application Filed/Testimony Served	Fri, 01/02/26	0	1
6.	PHC & PPH Start Date	Mon, 01/12/26	10	1
7.	PHC Finish Date	Tue, 03/17/26	75	
8.	Update of Applicant's Showing	Mon, 02/16/26	45	1
9.	Public Participation Hearings (End Date)	Wed, 04/01/26	90	
10.	Public Advocates Testimony	Wed, 04/08/26	97	
11.	Other Parties Serve Testimony	Wed, 04/08/26	97	
12.	Rebuttal Testimony	Thu, 04/23/26	112	
13.	ADR Process (Start Date)	Sun, 04/26/26	115	
14.	ADR Process (End Date)	Wed, 05/06/26	125	
15.	Evidentiary Hearings (if required - start)	Thu, 05/07/26	126	
16.	Evidentiary Hearings (if required - end)	Mon, 05/11/26	130	
17.	Opening Briefs Filed and Served	Wed, 06/10/26	160	
18.	Motion for Interim Rates	Wed, 06/10/26	160	
19.	Mandatory Status Conference	Thu, 06/11/26	161	
20.	Reply Briefs Filed & Served (with Comparison Exhibit)	Thu, 06/25/26	175	
21.	Water Division Technical Conference	Tue, 06/30/26	180	
22.	Proposed Decision Mailed	Mon, 08/31/26	240	2
23.	Comments on Proposed Decision	Fri, 09/18/26	260	
24.	Reply Comments	Wed, 09/23/26	265	
25.	Commission Meeting (TBD)	Thu, 10/08/26	280	