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BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Application of California-American Water
Company (U210W) to Obtain Approval of an
Updated Cost Cap for the Monterey Peninsula
Water Supply Project and Updated Ratemaking
Framework.

Application _____
(Filed ____, 2026)

DIRECT TESTIMONY OF BAHMAN POURTAHERIAN

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Dated: October 23, 2026

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8 **DIRECT TESTIMONY OF BAHMAN POURTAHERIAN**

9
10
11 **I. INTRODUCTION**

12 Q1. Please state your name, business address, and telephone number.

13 A1. My name is Bahman Pourtaherian. My business address is 55 Drohan Dr., Guelph,
14 Ontario, Canada. My business telephone number is 916-693-1386.

15
16 Q2. By whom are you employed and in what capacity?

17 A2. I am self-employed as a consultant. My firm's name is Blue Planet Utility Consulting.
18 My consulting expertise is in the areas of regulatory and financial modeling, rate design,
19 and cost allocation.

20
21 Q3. Please briefly outline your responsibilities as they relate to your assignment with
22 California-American Water Company ("California American Water").

23 A3. I am responsible for financial, economic, and regulatory modeling, including results of
24 operation and related issues. I provide expertise in the preparation of rate proceedings,
25 advice letters, and other regulatory applications. That experience includes filings before
26 the California Public Utilities Commission ("Commission").

27
28 Q4. Briefly describe your educational background.

1 A4. I received a Bachelor of Arts in Economics from the University of California at Berkeley.
2 Additionally, I earned my master's degree in Food, Agriculture, and Resources
3 Economics from the University of Guelph. I am currently pursuing a PhD at the
4 University of Guelph, focusing on an interdisciplinary study between Environmental
5 Sciences and Food, Agriculture, and Resources Economics.

6
7 Q5. Please describe your professional experience.

8 A5. I was employed as a senior financial analyst at California American Water from 2015 to
9 2019. In 2019, I founded my consulting firm, Blue Planet Utility Consulting, where I
10 provided consulting services on various topics, including rate design and the development
11 of financial and regulatory models, such as Result of Operations ("RO") models, for
12 different utility companies.

13
14 Q6. Have you previously testified before utility regulatory commissions?

15 A6. Yes, I have prepared direct and rebuttal testimony for California American Water in
16 Applications ("A.") 19-07-004, A.22-07-001, and A.25-07-003, California American
17 Water's 2019, 2022, and 2025 general rate case ("GRC") proceedings. Additionally, I
18 have presented at Commission workshops and to Administrative Law Judges outside of
19 the evidentiary hearing setting. I also provided modeling assistance to the Commission
20 under a protective order in connection with A.16-07-002, California American Water's
21 2016 GRC.

22
23 Q7. Are you including any attachments with your testimony?

24 A7. Yes. I am including (1) Attachment 1 which contains the annual Phase 1 revenue
25 requirement components,¹ segregated among the State Revolving Fund ("SRF") loan, the
26 Water Rate Relief Bonds ("WRRBs"), and the rate base-related components of the base
27

28 ¹ "Phase 1" is how the Commission has referred to the portion of the MPWSP consisting of the
desalination plant and associated facilities. It does not refer to the phased construction of the MPWSP.

case financing plan; (2) Attachment 2, the financial statements for the incremental Monterey Peninsula Water Supply Project (“Project”) produced by the financial model described in Section III of my testimony — the income statement, balance sheet, and statement of cash flows; (3) Attachment 3, a summary of the net present value (“NPV”) analysis comparing the base case financing plan against the benchmark of traditional rate base ratemaking; and (4) Attachment 4, the bill impacts for residential and non-residential customers. My testimony also presents, as Table 1 in Section IV, the sources and uses of cash for the base case financing plan.

II. PURPOSE AND SCOPE OF TESTIMONY

Q8. What is the purpose of your testimony?

A8. The purpose of my testimony is to: (1) describe the financial model I developed to calculate the revenue requirement associated with the MPWSP under the updated base case financing plan addressed in the direct testimony of Tricia Sinopole; (2) present the components of the project revenue requirement, segregated among the SRF loan, the WRRBs, and the rate base-related components; (3) present the net present value (“NPV”) analysis demonstrating that the base case financing plan is the lowest reasonable cost option for customers as compared to traditional rate base ratemaking; and (4) apply the resulting revenue requirement to the Monterey service area rate design described in the direct testimony of Jonathan Morse, to develop the customer rate components he presents in his testimony.

Q9. Please summarize the organization of your testimony.

A9. My testimony is organized as follows: Section III describes the financial model I developed to calculate the desalination project revenue requirement and perform the NPV analysis; Section IV presents the components of the annual revenue requirement, segregated among the SRF loan, the WRRBs, and the rate base-related components; Section V presents the NPV analysis comparing the base case financing plan to

1 traditional rate base ratemaking; Section VI applies the resulting revenue requirement to
2 the Monterey service area rate design described in the testimony of Mr. Morse; and
3 Section VII provides my conclusion.

4
5 Q10. How does your testimony relate to the testimony of the other witnesses sponsoring the
6 updated financing plan?

7 A10. Ms. Sinopole sponsors the updated base case financing plan itself, including California
8 American Water's evaluation of low-cost financing options, the indicative interest rates
9 and the upfront and ongoing financing costs for each source, including the WRRBs, and
10 the required approvals and contingency plans. Mr. Morse sponsors the regulatory and
11 ratemaking framework, the section-by-section updates to Resolution W-5211 Attachment
12 A, and the resulting customer bill impacts. Ms. Carothers sponsors the Project's
13 historical and projected capital costs and historical AFUDC. Mr. Pezzini sponsors the
14 Project's operations and maintenance ("O&M") cost estimate. My testimony takes each
15 of these sponsored inputs and combines them in the financial model to calculate the
16 resulting revenue requirement, perform the NPV analysis, and apply that revenue
17 requirement to the rate design Mr. Morse describes.

18
19 **III. THE FINANCIAL MODEL**

20 Q11. Please describe the financial model that supports the updated base case financing plan.

21 A11. The financial model is a project-level model I developed to evaluate financing
22 alternatives for the Project and to quantify the customer impact of each alternative. It is
23 designed to accomplish four things. First, it allows multiple financing sources, and the
24 assumptions specific to each source, to be modeled in combination as complete financing
25 scenarios. Second, it calculates the full revenue requirement over the life of the Project,
26 including both the revenue requirement associated with each low-cost financing
27 alternative and the revenue requirement for the portion of the Project that will be included
28 in rate base. Third, it performs NPV calculations that isolate the customer benefit of each

low-cost financing option against the benchmark of traditional rate base ratemaking.

Fourth, it develops a complete set of financial statements for the incremental Project – an income statement, balance sheet, statement of cash flows, and the sources and uses of funds, which ensures the internal consistency of the analysis and makes the financial mechanics of each scenario transparent.

Q12. Why is a purpose-built model necessary?

A12. California American Water’s general rate case models develop revenue requirements for a test year under traditional rate base ratemaking. The question presented here is different: the base case financing plan combines multiple sources with different rates, terms, and recovery frameworks, some recovered through rate base and some through a surcharge outside of rate base, and the relevant comparison spans the full life of the Project rather than a single test year. The model runs each financing scenario through an identical calculation framework, holding all non-financing assumptions constant, so that differences in customer cost between scenarios are attributable to the financing structure alone.

Q13. What time period does the model cover?

A13. The model covers the remaining construction period and 40 years of Project operations, consistent with the depreciable life of the Project’s plant. This period captures the full amortization of each debt instrument, as well as the later years in which the declining rate base under traditional ratemaking produces lower revenue requirements. The comparison of alternatives is therefore made over the full life of the Project, not merely the years most favorable to the base case plan.

Q14. What are the key inputs to the model, and what is the source of each?

A14. Each key input to the model is sponsored by the witness responsible for that subject matter, or is drawn from authorized or statutory parameters, as follows:

1 Historical and projected capital costs and historical AFUDC: The Project’s historical
2 capital expenditures, the projected capital costs and expenditure schedule, and historical
3 AFUDC are provided in the testimony of Ms. Carothers, and are consistent with the
4 Project cost estimate supporting the requested cost cap.

5
6 Operations and maintenance expense: Projected O&M expense for the Project is
7 provided in the testimony of Mr. Pezzini.

8
9 Cost of capital: The model uses California American Water’s authorized capital structure
10 and authorized costs of capital as approved by the Commission in Advice Letter 1424, for
11 the return on the rate-based portion of each scenario and as the forecast proxy for
12 AFUDC.

13
14 Interest rates and WRRB financing costs: The indicative interest rate for each debt
15 financing source, the SRF loan, the tax-exempt Private Activity Bonds (“PABs”), and
16 AWCC long-term debt, and the upfront and ongoing financing costs associated with the
17 WRRBs, including debt service reserve requirements and servicing and administrative
18 costs, are provided in the testimony of Ms. Sinopole.

19
20 WRRB pricing and structuring: The assumed pricing and structuring of the WRRBs are
21 provided in the testimony of Ms. Sinopole.

22
23 Tax rates: Federal and California income tax rates are the statutory rates in effect, and
24 property taxes are calculated consistent with California American Water’s Commission
25 filings.

1 Because each input is sponsored in the testimony of the responsible witness, the model
2 itself introduces no independent cost or rate assumptions; its function is to combine these
3 sponsored inputs consistently and calculate the results.
4

5 Q15. How does the model apply the financing assumptions to each scenario?

6 A15. For each debt source, the model sizes the facility including, where applicable, grossing up
7 principal for debt issuance costs and net interest during construction, using the
8 parameters Ms. Sinopole provides, and develops the drawdown, interest, and
9 amortization schedule over the term of the instrument. For amounts recovered through
10 rate base, the model calculates the return component using the financing mix and the cost
11 applicable to each source. As described in the Q/A 16, amounts financed through the
12 WRRBs or the SRF loan are serviced by a charge sized to amortize the obligation over
13 the instrument's term, inclusive of ongoing servicing and administrative costs, so that
14 customers see the all-in cost of the structure. For forecasting purposes, AFUDC on rate-
15 based expenditures is estimated at California American Water's authorized rate of return.
16 Expenditures funded by bond proceeds accrue capitalized interest at the lower rate of the
17 applicable instrument, a structural source of customer savings under the base case plan.
18

19 Q16. How does the model calculate the revenue requirement?

20 A16. The model calculates the revenue requirement separately for the portion financed through
21 the WRRBs, the portion financed through the SRF loan, and the portion recovered
22 through California American Water's rate base.
23

24 Under the base case financing plan, the model begins with the Project costs requiring
25 financing and deducts the amounts financed through the WRRBs and then the SRF loan.
26 It allocates the remaining financing requirement between debt and equity using California
27 American Water's authorized capital structure. The debt portion is then divided between
28 tax-exempt PABs and AWCC long-term debt.

1 For the portion recovered through rate base, the model calculates the return component
2 using the financing shares and the cost applicable to each source: the assumed PAB
3 interest rate for the PAB-financed share and California American Water's authorized
4 return on debt and equity for California American Water's financed share. The model
5 also includes book depreciation over the plant's depreciable life, property taxes, income
6 taxes at statutory rates, and O&M expense.

7
8 The WRRBs, the SRF loan, and tax-exempt PABs are each modeled with level,
9 mortgage-style amortization over their terms. For the SRF loan, the revenue requirement
10 is the debt service required to amortize the loan over its term and recovery is through a
11 separate surcharge. For the WRRBs, the revenue requirement is the non-bypassable
12 water supply charge required to service the bonds, including the ongoing financing costs
13 Ms. Sinopole describes. The PABs are recovered through the desalination base rate
14 increment. The model keeps these components separate throughout the calculation to
15 support the different recovery mechanisms and the application to customer rates
16 described in Mr. Morse's testimony Section VI.

17
18 Q17. What outputs of the model are provided with your testimony?

19 A17. Attachment 1 presents the annual revenue requirement, segregated among the SRF,
20 WRRB, and rate base-related components, for the base case financing plan. Attachment
21 2 presents the financial statements for the incremental Project, the income statement,
22 balance sheet, and statement of cash flows. Attachment 3 presents the NPV analysis
23 summarized in Sections V and VI of my testimony. These schedules also demonstrate
24 the internal consistency of the model: the balance sheet balances in every year of every
25 scenario, the statement of cash flows reconciles to the change in cash, sources equal uses
26 in every period, and each debt instrument amortizes fully over its term. These accounting
27 identities operate as continuous, structural cross-checks on every calculation in the
28 model.

Q18. Do total sources equal total uses in the model?

A18. Yes. As I discuss in Section III, the model enforces sources-equal-uses as a structural check in every period, consistent with the treatment of every other financing scenario evaluated in the testimony of Ms. Sinopole.

IV. THE REVENUE REQUIREMENT: SRF, WRRB, AND RATE BASE COMPONENTS

Q19. Please start by providing the sources and uses of financing assumed in the base case financing plan.

A19. **Table 1** below presents the sources and uses of cash for the base case financing plan, reflecting the financing sources described in the testimony of Ms. Sinopole.

Table 1
Base Case Financing Plan
(MPWSP Project, \$ millions)

Sources of Cash	\$ Million	% of Total
Water Rate Relief Bonds (securitization, up to 50% of water supply costs)	\$531.5	49.53%
DWR Grant (Water Desalination Grant Program)	\$10.0	0.93%
SRF Loan (DWSRF)	\$50.0	4.66%
Tax-Exempt Private Activity Bonds (PABs)	\$150.0	13.98%
AWCC Long-Term Debt	\$56.9	5.30%
Equity	\$274.7	25.60%
Total Sources	\$1,073.0	100.00%

Note: Short-Term Debt of approximately \$20M, reduces AFUDC during construction

Uses of Cash	\$ Million	% of Total
Construction costs (desalination plant, intake wells, conveyance, and associated facilities — per Ms. Carothers)	\$824.8	76.87%
AFUDC during construction	\$248.2	23.13%
Total Uses	\$1,073.0	100.00%

Q20. How is the revenue requirement segregated in the model?

A20. Consistent with the ratemaking treatment Mr. Morse describes in his testimony, the model segregates the annual revenue requirement into three components: (1) debt service on the SRF loan; (2) the non-bypassable water supply charge that services the WRRBs, inclusive of ongoing financing costs; and (3) the rate base revenue requirement, consisting of the return on and of the portion of Project cost financed with equity, AWCC long-term debt, and tax-exempt PABs, together with the associated income taxes, depreciation, and property taxes, plus the O&M revenue requirement Mr. Pezzini sponsors.

This segregation is necessary because, as Mr. Morse explains, the components have different recovery mechanisms and customer applicability. The rate base and O&M components are recovered through the Monterey service area authorized rate design structure. SRF debt service is recovered through a separate meter-based surcharge, and the WRRB water supply charge is recovered outside of base rates using the Monterey service area rate-design structure.

Consistent with the treatment described in Mr. Morse's testimony, the SRF surcharge and WRRB water supply charge do not apply to Customer Assistance Program ("CAP") customers. The model therefore excludes CAP customers from the applicable customer-count and consumption inputs used to calculate those charges. These adjustments

1 preserve the authorized rate-design structure while reflecting the customers to whom each
2 charge applies. Mr. Morse discusses the basis for the CAP exclusions, and I describe
3 their implementation in the rate calculations later in my testimony in Section VI.
4

5 Q21. What is the estimated Base Case Year 1 revenue requirement, and how is it segregated?

6 A21. As reflected in the customer bill impact testimony of Mr. Morse, the Base Case Year 1
7 (2030) revenue requirement is estimated at approximately \$121.4 million. Attachment 1
8 presents the segregation of that amount, and of the revenue requirement in each
9 subsequent year, among the SRF, WRRB, and rate base-related components described
10 above.
11

12 Q22. Please describe Attachment 1.

13 A22. Attachment 1 presents, for each year of the model's projection period, the revenue
14 requirement segregated into the SRF debt service, the WRRB water supply charge
15 (including ongoing financing costs), the rate base revenue requirement (return,
16 depreciation, income taxes, and property taxes), and O&M expense, together with the
17 resulting total. Attachment 1 is developed directly from the financial model described in
18 Section III and is internally consistent with the sources and uses of cash presented in
19 Table 1 and the financial statements presented in Attachment 2.
20

21 **V. NET PRESENT VALUE ANALYSIS: BASE CASE FINANCING PLAN VERSUS**
22 **TRADITIONAL RATEMAKING**

23 Q23. Has California American Water quantified the customer benefits of the base case
24 financing plan?

25 A23. Yes. I have prepared an NPV analysis comparing the revenue requirements under the
26 base case financing plan, the WRRBs, the DWR grant, the SRF loan, and the remaining
27 Project costs at the authorized capital structure with \$150 million of tax-exempt PABs,
28 against the benchmark of traditional rate base ratemaking, under which the entire Project

1 cost would be financed at California American Water's authorized capital structure with
2 taxable AWCC long-term debt. The analysis demonstrates that the base case plan is the
3 low-cost option for customers, with approximately \$588 million in savings over the
4 project's 40-year life, which corresponds to NPV savings of approximately \$246 million.
5 Attachment 3 presents a summary of the results.

6
7 Q24. What are the key assumptions underlying the NPV analysis?

8 A24. The key assumptions include: the discount rate, which is California American Water's
9 authorized after-tax cost of capital; the indicative interest rates for each instrument, as
10 provided in the testimony of Ms. Sinopole; a WRRB term of 30 years, consistent with the
11 framework's stated preference; the upfront and ongoing WRRB financing costs Ms.
12 Sinopole describes; SRF and tax-exempt PAB pricing; the income tax treatment of each
13 source; and the construction draw schedule reflected in the capital cost estimate
14 sponsored by Ms. Carothers.

15
16 Q25. How does the model perform the NPV comparison among scenarios?

17 A25. The model discounts each scenario's total annual revenue requirement over the life of the
18 Project to present value, using California American Water's authorized after-tax cost of
19 capital as the discount rate. Using the authorized after-tax cost of capital is consistent
20 with standard ratemaking practice and requires no assumption beyond parameters the
21 Commission has already adopted. Because every scenario is built on identical non-
22 financing inputs and an identical methodology, the difference between a scenario's NPV
23 and that of the traditional ratemaking benchmark isolates the customer benefit of the
24 financing structure. The model also reports nominal total revenue requirements and first-
25 year and selected-year revenue requirements, because NPV alone does not convey the
26 timing of rate impacts.

1 Q26. Does the base case plan satisfy the customer benefit benchmark identified in the
2 testimony of Ms. Sinopole?

3 A26. Yes. The estimated annual customer benefits of the WRRBs exceed 1.0% of the total
4 annual revenue requirement for the MPWSP desalination facilities, consistent with the
5 benchmark in Section 11.2(a) of the 2013 Comprehensive Settlement Agreement, as Ms.
6 Sinopole discusses in her testimony. The supporting calculation is produced by the
7 financial model described in Section III and summarized in Attachment 3.

8
9 **VI. FROM REVENUE REQUIREMENT TO RATES: APPLICATION OF THE**
10 **MONTEREY SERVICE AREA RATE DESIGN**

11 Q27. Does your testimony propose any change to the Monterey District rate design?

12 A27. No. As Mr. Morse explains in his testimony, California American Water is not proposing
13 to change the Monterey service area rate-design structure when the Project is placed into
14 service. Throughout my testimony, references to the “authorized rate design” mean the
15 rate design authorized by the Commission and in effect when the Project is placed into
16 service.

17
18 For the illustrative bill impact presented in Attachment 4 of this testimony, I apply the
19 revenue requirement to the Monterey service area rate design agreed to in the settlement
20 in Application A.25-07-003, California American Water’s pending general rate case. The
21 rates ultimately implemented for the Project will reflect the authorized rate design in
22 effect at that time.

23
24 Consistent with the treatment described in Mr. Morse’s testimony, the SRF surcharge and
25 WRRB water supply charge do not apply to CAP customers. Accordingly, CAP
26 customers were excluded from the applicable meter counts used to calculate the SRF
27 surcharge and from the customer-count and consumption inputs used to calculate the
28

1 WRRB water supply charge. These adjustments reflect the customers subject to each
2 charge while preserving the underlying rate-design structure.

3
4 Q28. Please describe how the rate base and O&M components of the revenue requirement
5 were applied to rates.

6 A28. The base rates associated with the rate base and O&M components of the revenue
7 requirement are calculated using the Monterey service area proposed rate design
8 presented in Application A.25-07-003. The resulting rates are for illustrative purposes
9 only and are based on the most recently available information. Consistent with Mr.
10 Morse's testimony, the authorized rate design and rate design components in effect when
11 the project is placed into service should ultimately be used to determine customer rates.

12
13 Q29. How do you apply the SRF and WRRB components of the revenue requirement to
14 customer bills?

15 A29. Consistent with Mr. Morse's testimony, for the illustrative customer bill impacts
16 presented by Mr. Morse, the resulting revenue requirement was applied to the Monterey
17 service area rate design agreed to in the settlement in pending Application A.25-07-003,
18 with the applicable billing inputs adjusted to reflect the CAP exclusions. The rates
19 ultimately implemented will use the rate design authorized when the Project is placed
20 into service.

21
22 For the SRF component, the meter-based surcharge was calculated using the customer
23 meter count, excluding CAP customers, as discussed in Mr. Morse's testimony. For the
24 WRRB component, I calculate the non-bypassable water supply charge required to
25 recover the bond-related revenue requirement, including ongoing financing costs. I apply
26 the Monterey service area authorized rate design, excluding CAP customer counts and
27 their corresponding consumption from the calculation as CAP customers are not subject
28 to this charge.

1 These exclusions adjust the billing inputs used to calculate the charges while preserving
2 the applicable rate-design structure. The SRF and WRRB revenue requirements remain
3 separately identified, and the charges are calculated using the customers and usage to
4 which they apply. Mr. Morse explains the treatment of CAP customers, and the WRRB
5 calculation also reflects the financing costs and true-up mechanism described in Ms.
6 Sinopole's testimony.

7
8 Q30. Does your model support the customer bill impact and CAP surcharge calculations
9 presented in the testimony of Mr. Morse?

10 A30. Yes. The single-family bill impact, the CAP-customer cost calculation, and the
11 incremental statewide CAP surcharge that Mr. Morse presents are derived from the
12 revenue requirement and rate-design components calculated by my model. These
13 calculations reflect that CAP customers are not subject to the SRF surcharge or WRRB
14 water supply charge, consistent with the treatment described in Mr. Morse's testimony.
15 The model excludes CAP customers from the applicable billing inputs used to calculate
16 those two charges and does not apply either charge to CAP customer bills.

17
18 Because Special Condition 16 of the Coastal Development Permit and the statewide CAP
19 surcharge calculation both depend on isolating the Project's revenue requirement from
20 California American Water's other Monterey service area and statewide revenue
21 requirements, the model tracks the project revenue requirement incrementally and
22 separately. This allows the model to identify the Project-related amounts used in the
23 CAP-customer cost calculation and the incremental statewide CAP surcharge calculation,
24 consistent with the treatment and tracking approach Mr. Morse describes in his
25 testimony.

26
27 Q31. Does your model reflect the exclusion of the MPWMD user fee from the desalination
28 project revenue requirement?

1 A31. Yes. Consistent with Mr. Morse's testimony, the model does not apply the MPWMD
2 user fee to the rate components, the rate base and O&M components recovered through
3 base rates, the SRF surcharge, and the WRRB water supply charge. The model continues
4 to apply the MPWMD user fee, unchanged, to California American Water's other
5 Monterey service area base rates and charges.

6
7 Q32. Are you proposing an adjustment to the sales forecast used in rate design to reflect the
8 Project's anticipated effect on consumption?

9 A32. No. California American Water is not proposing an upfront adjustment to the sales
10 forecast based on an assumed change in consumption resulting from the Project entering
11 service. California American Water's existing Commission-authorized Annual
12 Consumption Adjustment Mechanism ("ACAM") updates the consumption quantities
13 used to calculate volumetric rates annually using recorded water sales. Under the
14 existing process, California American Water submits an advice letter by November 15
15 using monthly consumption by customer class and rate tier for the twelve months ending
16 September 30. Following Commission approval, the updated quantities are used to
17 calculate rates for the following calendar year. This process allows rate calculations to
18 reflect more recent consumption information between general rate cases. As discussed in
19 Mr. Morse's testimony at Section XI, however, California American Water proposes
20 semiannual ACAM adjustment filings during the first two years after the Project is placed
21 into service. These filings would update the sales forecasts used in rate design twice each
22 year using the most recent available information. As the effect of Project-related rate
23 changes on customer demand is uncertain, this approach would allow observed changes
24 in consumption to be reflected more promptly in the rate calculations.

25
26 The semiannual ACAM updates would apply across Monterey service area rate-design
27 calculations that use sales forecasts, including those used to recover existing revenue
28 requirements, and the Project's rate base and O&M revenue requirement. The updated

1 sales forecasts would be applied within the applicable rate-design structure described
2 above.

3
4 **VII. CONCLUSION**

5 Q33. Please summarize your testimony.

6 A33. The financial model I developed calculates the revenue requirement under the updated
7 base case financing plan sponsored by Ms. Sinopole, using the capital cost, AFUDC, and
8 O&M inputs sponsored by Ms. Carothers and Mr. Pezzini. The model demonstrates that
9 the base case financing plan, which combines WRRBs, the DWR grant, the SRF loan,
10 and financing of the remaining Project costs using California American Water's
11 authorized capital structure, is the lowest-reasonable-cost option for customers on an
12 NPV basis compared with traditional rate base ratemaking. For the illustrative customer
13 bill impacts presented in Attachment 4, I apply the resulting revenue requirement to the
14 Monterey service area rate design agreed to in the settlement in pending Application
15 A.25-07-003, with the applicable billing inputs adjusted to reflect the CAP exclusions.
16 The rates ultimately implemented will use the rate design authorized when the Project is
17 placed into service.

18
19 Q34. Does this conclude your testimony?

20 A34. Yes, it does.
21
22
23
24
25
26
27
28

ATTACHMENT 1

California American Water
Monterey Water Supply Project
Cal-AM's Annual Revenue Requirements

Attachment 1

Year	Utility		Variable		Non Rate		Tax Expense		General		Income		PAB		Cal-AM's	
	Operating Income	Fixed O&M Expense	O&M Expense	Depreciation Expense	Base Depreciation	Equity	Taxes	Taxes	Taxes	Uncollectible	Revenue	Requirement	Revenue	Requirement	Revenue	Requirements
1	27,512,380	6,423,000	8,427,000	26,575,261	(18,287,630)	1,487,536	3,951,559	9,827,456	339,030	10,155,934	10,155,934	76,411,525				
2	26,556,357	6,250,000	8,559,000	26,575,261	(18,287,630)	1,487,536	3,851,414	9,485,963	331,630	10,155,934	10,155,934	74,965,465				
3	25,600,334	5,697,075	8,702,000	26,575,261	(18,287,630)	1,487,536	3,751,269	9,144,471	322,333	10,155,934	10,155,934	73,148,582				
4	24,644,311	5,836,931	8,844,924	26,575,261	(18,287,630)	1,487,536	3,651,124	8,802,978	316,599	10,155,934	10,155,934	72,027,967				
5	23,688,287	5,980,220	8,990,291	26,575,261	(18,287,630)	1,487,536	3,550,979	8,461,486	310,895	10,155,934	10,155,934	70,913,259				
6	22,732,264	6,127,029	9,138,144	26,575,261	(18,287,630)	1,487,536	3,450,834	8,119,993	305,222	10,155,934	10,155,934	69,804,586				
7	21,776,241	6,277,443	9,288,528	26,575,261	(18,287,630)	1,487,536	3,350,689	7,778,500	299,581	10,155,934	10,155,934	68,702,082				
8	20,820,218	6,431,551	9,441,489	26,575,261	(18,287,630)	1,487,536	3,250,544	7,437,008	293,971	10,155,934	10,155,934	67,605,881				
9	19,864,195	6,589,443	9,597,073	26,575,261	(18,287,630)	1,487,536	3,150,398	7,095,515	288,395	10,155,934	10,155,934	66,516,120				
10	18,908,172	6,751,213	9,755,327	26,575,261	(18,287,630)	1,487,536	3,050,253	6,754,022	282,852	10,155,934	10,155,934	65,432,940				
11	17,952,149	6,916,955	9,916,299	26,575,261	(18,287,630)	1,487,536	2,950,108	6,412,530	277,344	10,155,934	10,155,934	64,356,486				
12	16,996,126	7,086,768	10,080,039	26,575,261	(18,287,630)	1,487,536	2,849,963	6,071,037	271,871	10,155,934	10,155,934	63,286,905				
13	16,040,103	7,260,751	10,246,597	26,575,261	(18,287,630)	1,487,536	2,749,818	5,729,544	266,434	10,155,934	10,155,934	62,224,347				
14	15,084,080	7,439,007	10,416,022	26,575,261	(18,287,630)	1,487,536	2,649,673	5,388,052	261,034	10,155,934	10,155,934	61,168,968				
15	14,128,056	7,621,641	10,588,369	26,575,261	(18,287,630)	1,487,536	2,549,528	5,046,559	255,671	10,155,934	10,155,934	60,120,924				
16	13,172,033	7,808,760	10,763,688	26,575,261	(18,287,630)	1,487,536	2,449,383	4,705,067	250,346	10,155,934	10,155,934	59,080,377				
17	12,216,010	8,000,475	10,942,035	26,575,261	(18,287,630)	1,487,536	2,349,238	4,363,574	245,061	10,155,934	10,155,934	58,047,493				
18	11,259,987	8,196,898	11,123,464	26,575,261	(18,287,630)	1,487,536	2,249,092	4,022,081	239,816	10,155,934	10,155,934	57,022,439				
19	10,303,964	8,398,145	11,308,032	26,575,261	(18,287,630)	1,487,536	2,148,947	3,680,589	234,612	10,155,934	10,155,934	56,005,388				
20	9,347,941	8,604,335	11,495,795	26,575,261	(18,287,630)	1,487,536	2,048,802	3,339,096	229,449	10,155,934	10,155,934	54,996,518				
21	8,391,918	8,815,588	11,686,811	26,575,261	(18,287,630)	1,487,536	1,948,657	2,997,603	224,330	10,155,934	10,155,934	53,996,008				
22	7,435,895	9,032,031	11,881,141	26,575,261	(18,287,630)	1,487,536	1,848,512	2,656,111	219,254	10,155,934	10,155,934	53,004,043				
23	6,479,872	9,253,789	12,078,844	26,575,261	(18,287,630)	1,487,536	1,748,367	2,314,618	214,223	10,155,934	10,155,934	52,020,812				
24	5,523,849	9,480,993	12,279,982	26,575,261	(18,287,630)	1,487,536	1,648,222	1,973,126	209,237	10,155,934	10,155,934	51,046,508				
25	4,567,825	9,713,778	12,484,619	26,575,261	(18,287,630)	1,487,536	1,548,077	1,631,633	204,298	10,155,934	10,155,934	50,081,330				
26	4,001,884	9,952,281	12,692,817	26,575,261	(18,287,630)	1,487,536	1,447,931	1,429,478	202,130	10,155,934	10,155,934	49,657,622				
27	3,766,013	10,196,641	12,904,643	26,575,261	(18,287,630)	1,487,536	1,347,786	1,345,224	202,315	10,155,934	10,155,934	49,693,722				
28	3,530,141	10,447,003	13,120,162	26,575,261	(18,287,630)	1,487,536	1,247,641	1,260,971	202,549	10,155,934	10,155,934	49,739,568				
29	3,294,270	10,703,514	13,339,444	26,575,261	(18,287,630)	1,487,536	1,147,496	1,176,717	202,835	10,155,934	10,155,934	49,795,376				
30	3,058,398	10,966,326	13,562,556	26,575,261	(18,287,630)	1,487,536	1,047,351	1,092,464	203,173	10,155,934	10,155,934	49,861,368				
31	2,822,527	11,235,593	13,789,570	26,575,261	(18,287,630)	1,487,536	947,206	1,008,210	203,564	-	-	39,781,836				
32	2,586,655	11,511,474	14,020,558	26,575,261	(18,287,630)	1,487,536	847,061	923,956	204,009	-	-	39,868,879				
33	2,350,783	11,794,131	14,255,592	26,575,261	(18,287,630)	1,487,536	746,916	839,703	204,510	-	-	39,966,801				
34	2,114,912	12,083,731	14,494,747	26,575,261	(18,287,630)	1,487,536	646,771	755,449	205,068	-	-	40,075,844				
35	1,879,040	12,380,445	14,738,100	26,575,261	(18,287,630)	1,487,536	546,625	671,195	205,684	-	-	40,196,256				
36	1,643,169	12,684,446	14,985,728	26,575,261	(18,287,630)	1,487,536	446,480	586,942	206,360	-	-	40,328,291				
37	1,407,297	12,995,915	15,237,711	26,575,261	(18,287,630)	1,487,536	346,335	502,688	207,096	-	-	40,472,209				
38	1,171,425	13,315,034	15,494,129	26,575,261	(18,287,630)	1,487,536	246,190	418,435	207,895	-	-	40,628,274				
39	935,554	13,641,993	15,755,064	26,575,261	(18,287,630)	1,487,536	146,045	334,181	208,757	-	-	40,796,760				
40	699,682	13,976,982	16,020,601	26,575,261	(18,287,630)	1,487,536	45,900	249,927	209,684	-	-	40,977,943				
End	End	End	End	End	End	End	End	End	End	End	End	End	End	End	End	End

California American Water
 Monterey Water Supply Project
 WRRB Annual Revenue Requirements

Attachment 1

Year	WRRB Utility					WRRB Revenue Requirement
	Operating Income	Ongoing Financing Cost	Income Taxes	Uncollectible	Annual WRRB Cost	
1	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
2	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
3	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
4	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
5	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
6	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
7	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
8	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
9	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
10	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
11	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
12	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
13	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
14	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
15	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
16	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
17	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
18	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
19	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
20	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
21	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
22	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
23	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
24	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
25	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
26	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
27	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
28	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
29	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
30	2,145,892	395,251	833,835	17,359	\$39,318,537	42,710,874
End	End	End	End	End	End	End

California American Water
Monterey Water Supply Proje Attachment 1
Total Annual Revenue Requirements

Attachment 1

<u>Year</u>	<u>Cal-AM's Revenue Requirements</u>	<u>WRRB Revenue Requirement</u>	<u>SRF Loan</u>	<u>Total Revenue Requirements</u>
1	76,411,525	42,710,874	2,247,841	121,370,240
2	74,965,465	42,710,874	2,247,841	119,924,180
3	73,148,582	42,710,874	2,247,841	118,107,297
4	72,027,967	42,710,874	2,247,841	116,986,682
5	70,913,259	42,710,874	2,247,841	115,871,973
6	69,804,586	42,710,874	2,247,841	114,763,301
7	68,702,082	42,710,874	2,247,841	113,660,797
8	67,605,881	42,710,874	2,247,841	112,564,596
9	66,516,120	42,710,874	2,247,841	111,474,835
10	65,432,940	42,710,874	2,247,841	110,391,655
11	64,356,486	42,710,874	2,247,841	109,315,201
12	63,286,905	42,710,874	2,247,841	108,245,619
13	62,224,347	42,710,874	2,247,841	107,183,062
14	61,168,968	42,710,874	2,247,841	106,127,683
15	60,120,924	42,710,874	2,247,841	105,079,639
16	59,080,377	42,710,874	2,247,841	104,039,092
17	58,047,493	42,710,874	2,247,841	103,006,208
18	57,022,439	42,710,874	2,247,841	101,981,154
19	56,005,388	42,710,874	2,247,841	100,964,103
20	54,996,518	42,710,874	2,247,841	99,955,233
21	53,996,008	42,710,874	2,247,841	98,954,722
22	53,004,043	42,710,874	2,247,841	97,962,758
23	52,020,812	42,710,874	2,247,841	96,979,527
24	51,046,508	42,710,874	2,247,841	96,005,223
25	50,081,330	42,710,874	2,247,841	95,040,045
26	49,657,622	42,710,874	2,247,841	94,616,337
27	49,693,722	42,710,874	2,247,841	94,652,437
28	49,739,568	42,710,874	2,247,841	94,698,283
29	49,795,376	42,710,874	2,247,841	94,754,091
30	49,861,368	42,710,874	2,247,841	94,820,083
31	39,781,836			39,781,836
32	39,868,879			39,868,879
33	39,966,801			39,966,801
34	40,075,844			40,075,844
35	40,196,256			40,196,256
36	40,328,291			40,328,291
37	40,472,209			40,472,209
38	40,628,274			40,628,274
39	40,796,760			40,796,760
40	40,977,943			40,977,943
End	End	End	End	End

ATTACHMENT 2

Monterey Peninsula Water Supply Project (MPWSP)	2026	2027	2028	2029	2030	2031	2059	2060
Income Statement Items								
Revenues								
Non-Securitization Revenue	-	-	-	-	77,263	75,817	50,713	39,782
SRF Revenue	-	-	-	-	2,248	2,248	2,248	-
Securitization Revenue	-	-	-	-	41,860	41,860	41,860	-
Total Revenue	-	-	-	-	121,370	119,924	94,820	39,782
Operating Expenses								
O&M Expenses	-	-	-	1,238	14,850	14,809	24,529	25,025
Other Expenses	-	-	-	334	4,308	4,200	1,268	1,151
Depreciation Expense	-	-	-	-	8,288	8,288	8,288	8,288
Amortization Expense	-	-	-	-	9,651	10,196	50,122	-
Total Expenses	-	-	-	1,571	37,096	37,493	84,206	34,464
Operating Income	-	-	-	(1,571)	84,274	82,431	10,614	5,318
Other Income / (Expense)								
AFUDC	10,740	29,937	50,290	64,882	-	-	-	-
Interest Expense	(2,579)	(7,646)	(12,591)	(16,378)	(44,293)	(43,670)	(1,847)	(228)
Other (net)	-	-	-	-	(395)	(395)	(395)	-
Total Other Income / (Expense)	8,161	22,291	37,699	48,505	(44,688)	(44,066)	(2,242)	(228)
Income Before Taxes	8,161	22,291	37,699	46,933	39,586	38,366	8,371	5,090
Income Taxes	569	1,459	2,522	2,777	12,149	11,807	3,414	2,496
Net Income	7,591	20,832	35,176	44,156	27,437	26,558	4,957	2,595

Monterey Peninsula Water Supply Project (MPWSP)	2026	2027	2028	2029	2030	2031	2059	2060
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Summarized Balance Sheet

Assets	363,461	605,785	932,904	1,252,493	1,268,816	1,283,715	881,553	874,851
Stockholder's equity	178,349	319,683	511,577	382,406	409,843	436,402	831,636	834,231
Liabilities								
Debt (Current + Long Term)	148,607	239,364	357,397	793,975	782,903	771,285	14,214	12,792
Other Liabilities	36,505	46,739	63,931	76,111	76,070	76,029	35,703	27,828
Total Liabilities	185,112	286,103	421,327	870,086	858,973	847,314	49,916	40,620
Total Liabilities and Stockholder's Equity	363,461	605,785	932,904	1,252,493	1,268,816	1,283,715	881,553	874,851
Funds From Operations / Free Cash Flow								
Income Available to Common Shareholders	7,591	20,832	35,176	44,156	27,437	26,558	4,957	2,595
Depreciation & Amortization	-	-	-	-	17,939	18,484	58,410	8,288
Deferred Income Tax	3,671	10,234	17,192	22,181	(41)	(41)	(7,875)	(7,875)
AFUDC Equity	(6,126)	(17,076)	(28,685)	(37,009)	-	-	-	-
Funds from Operations (FFO)	5,137	13,990	23,683	29,328	45,334	45,001	55,492	3,008
Capital Expenditures	(45,203)	(211,258)	(274,751)	(267,636)	-	-	-	-
Free Cash Flow (FCF)	(40,066)	(197,268)	(251,067)	(238,309)	45,334	45,001	55,492	3,008

Calculation of Debt Service Coverage

Total Revenue	-	-	-	-	121,370	119,924	94,820	39,782
Subtotal-Expenses	-	-	-	1,571	37,096	37,493	84,206	34,464
Net System Revenue	-	-	-	(1,571)	84,274	82,431	10,614	5,318
Debt Service								
AWCC	2,579	7,646	12,591	384,740	3,643	3,565	1,668	1,649
Securitization	-	-	-	-	41,860	41,860	41,860	-
SRF	-	-	-	-	2,248	2,248	2,248	-
PABS	-	-	-	-	10,156	10,156	10,156	-
Total Debt Service	2,579	7,646	12,591	384,740	57,906	57,829	55,932	1,649
Debt Service Coverage Ratios	.0x	.0x	.0x	.0x	1.46x	1.43x	.19x	3.22x
FFO/Interest	1.99x	1.83x	1.88x	1.79x	1.02x	1.03x	30.04x	13.20x
Debt Balances (ending balance)								
AWCC (LTD + STD)	148,607	239,364	357,397	56,855	55,433	54,012	14,214	12,792
Securitization	-	-	-	536,820	530,432	523,637	-	-
SRF	-	-	-	50,000	48,791	47,555	-	-
PABS	-	-	-	150,300	148,247	146,080	-	-
Total Debt Balance	148,607	239,364	357,397	793,975	782,903	771,285	14,214	12,792

ATTACHMENT 3

California American Water
Monterey Water Supply Project
Net Present Value Saving

Attachment 3

Annual Discount Rate for NPV				
7.68%				
Present Value of Cumulative Saving				245,919,313
Year	Traditional Rate Making Revenue Requirements	Low-Cost Financing Base Case Revenue Requirement	Annual Saving	Cumulative Annual Saving
1	157,206,376	121,370,240	35,836,136	35,836,136
2	153,998,766	119,924,180	34,074,587	69,910,723
3	150,420,334	118,107,297	32,313,037	102,223,760
4	147,538,170	116,986,682	30,551,488	132,775,248
5	144,661,912	115,871,973	28,789,939	161,565,187
6	141,791,691	114,763,301	27,028,389	188,593,576
7	138,927,637	113,660,797	25,266,840	213,860,416
8	136,069,886	112,564,596	23,505,291	237,365,707
9	133,218,576	111,474,835	21,743,741	259,109,448
10	130,373,847	110,391,655	19,982,192	279,091,640
11	127,535,843	109,315,201	18,220,643	297,312,283
12	124,704,713	108,245,619	16,459,093	313,771,377
13	121,880,606	107,183,062	14,697,544	328,468,921
14	119,063,677	106,127,683	12,935,995	341,404,915
15	116,254,084	105,079,639	11,174,445	352,579,361
16	113,451,988	104,039,092	9,412,896	361,992,257
17	110,657,554	103,006,208	7,651,347	369,643,604
18	107,870,951	101,981,154	5,889,797	375,533,401
19	105,092,351	100,964,103	4,128,248	379,661,649
20	102,321,931	99,955,233	2,366,699	382,028,348
21	99,559,872	98,954,722	605,150	382,633,498
22	96,806,358	97,962,758	(1,156,400)	381,477,098
23	94,061,578	96,979,527	(2,917,949)	378,559,149
24	91,325,725	96,005,223	(4,679,498)	373,879,650
25	88,598,997	95,040,045	(6,441,048)	367,438,603
26	86,305,985	94,616,337	(8,310,351)	359,128,251
27	84,381,606	94,652,437	(10,270,831)	348,857,420
28	82,466,972	94,698,283	(12,231,311)	336,626,110
29	80,562,301	94,754,091	(14,191,791)	322,434,319
30	78,667,812	94,820,083	(16,152,271)	306,282,048
31	76,783,734	39,781,836	37,001,898	343,283,946
32	74,910,297	39,868,879	35,041,418	378,325,364
33	73,047,739	39,966,801	33,080,938	411,406,303
34	71,196,303	40,075,844	31,120,458	442,526,761
35	69,356,235	40,196,256	29,159,979	471,686,740
36	67,527,790	40,328,291	27,199,499	498,886,238
37	65,711,228	40,472,209	25,239,019	524,125,257
38	63,906,813	40,628,274	23,278,539	547,403,796
39	62,114,819	40,796,760	21,318,059	568,721,855
40	60,335,522	40,977,943	19,357,579	588,079,435
End	End	End	End	End

ATTACHMENT 4

California American Water
Monterey Water Supply Project
Single Family Bill Impacts

Monterey SF - Current (2029)			
# Days in Billing period:	30		
Customer Assistance Program (CAP)	No		
Meter Size	5/8 x 3/4"		
Estimated consumption (CGL's)	34.93		
Customer Class	Residential		

Monterey SF - Proposed (2030)			
# Days in Billing period:	30		
Customer Assistance Program (CAP)	No		
Meter Size	5/8 x 3/4"		
Estimated consumption (CGL's)	34.93		
Customer Class	Residential		

Monterey SF - Current (2029)				
5/8 x 3/4"				
Water Service Charge				\$59.13
Subtotal Meter Charges				\$59.13
Water Usage Charge:				Charge
Tier 1	Rate/Unit	Units (per CGL)		\$0.8748
Tier 2	30.00			\$26.24
Tier 3	4.93			\$8.75
Tier 4	0.00			\$0.00
	0.00			\$0.00
Total Usage Charge (100 Gal)	34.93			\$34.99
Subtotal Base Bill				\$94.12
Surcharges:	Units	Rates		Surcharge
CAP	Flat	\$3.25		\$3.25
MPWMD User Fee	94.12	8.33%		\$7.84
MPWMD Purchased Water	34.09	\$0.69		\$23.54
Subtotal Surcharges				\$34.63
Taxes and Fees:		Rates		Charge
Commission Surcharge	\$128.75	0.70%		\$0.90
Utility User Tax	\$128.75	3.58%		\$4.61
Franchise Fee	\$128.75	0.87%		\$1.12
Subtotal Taxes & Fees				\$6.63
Total Bill				\$135.38

Monterey SF - Proposed (2030)				
5/8 x 3/4"				
Water Service Charge				\$102.65
Subtotal Meter Charges				\$102.65
Water Usage Charge:				Charge
Tier 1	Rate/Unit	Units (per CGL)		\$1.5210
Tier 2	30.00			\$45.63
Tier 3	4.93			\$15.12
Tier 4	0.00			\$0.00
	0.00			\$0.00
Total Usage Charge (100 Gal)	34.93			\$60.75
Subtotal Base Bill				\$163.40
Surcharges:	Units	Rates		Surcharge
CAP	Flat	\$3.25		\$3.25
MPWMD User Fee	94.12	8.33%		\$7.84
MPWMD Purchased Water	34.09	\$0.69		\$23.54
Allocation of MPWSP from CAP	Flat	\$1.27		\$1.27
SRF	5/8 x 3/4"	Flat		\$2.70
WRRB Surcharge				
WRRB Meter Rate	5/8 x 3/4"	\$25.61		\$25.61
WRRB Tier 1 Rate	30.00	\$0.36		\$10.82
WRRB Tier 2 Rate	4.93	\$0.72		\$3.56
WRRB Tier 3 Rate	0.00	\$1.08		\$0.00
WRRB Tier 4 Rate	0.00	\$1.50		\$0.00
Total WRRB Surcharge				\$39.99
Subtotal Surcharges				\$78.58
Taxes and Fees:		Rates		Charge
Commission Surcharge	\$239.28	0.70%		\$1.67
Utility User Tax	\$239.28	3.58%		\$8.56
Franchise Fee	\$239.28	0.87%		\$2.08
Subtotal Taxes & Fees				\$12.32
Total Bill				\$254.29

California American Water
Monterey Water Supply Project
Multi Family Bill Impacts

Monterey MF - Current (2029)			
# Days in Billing period:	30		
Customer Assistance Program (CAP)	No		
Meter Size	5/8 x 3/4"		
Estimated consumption (CGL's)	172.30		
Customer Class	Residential		

Monterey MF - Current (2029)			
Water Service Charge	5/8 x 3/4"		\$59.13
Subtotal Meter Charges			\$59.13
Water Usage Charge:	Rate/Unit	Units (per CGL)	Charge
Tier 1	133.00	\$1.1088	\$147.48
Tier 2	39.30	\$2.2415	\$88.09
Tier 3	0.00	\$5.0731	\$0.00
Tier 4	0.00	\$7.0552	\$0.00
Total Usage Charge (100 Gal)	172.30		\$235.56
Subtotal Base Bill			\$294.69
Surcharges:	Units	Rates	Surcharge
CAP	Flat	\$3.25	\$3.25
MPWMD User Fee	294.69	8.33%	\$24.53
MPWMD Purchased Water	172.30	\$0.69	\$118.98
Subtotal Surcharges			\$146.76
Subtotal Taxes & Fees			\$22.72
Total Bill			\$464.18

Monterey MF - Proposed (2030)			
# Days in Billing period:	30		
Customer Assistance Program (CAP)	No		
Meter Size	5/8 x 3/4"		
Estimated consumption (CGL's)	172.30		
Customer Class	Residential		

Monterey MF - Proposed (2030)			
Water Service Charge	5/8 x 3/4"		\$102.65
Subtotal Meter Charges			\$102.65
Water Usage Charge:	Rate/Unit	Units (per CGL)	Charge
Tier 1	133.00	\$1.9592	\$260.57
Tier 2	39.30	\$3.9422	\$154.92
Tier 3	0.00	\$8.8996	\$0.00
Tier 4	0.00	\$11.4057	\$0.00
Total Usage Charge (100 Gal)	172.30		\$415.49
Subtotal Base Bill			\$518.14
Surcharges:	Units	Rates	Surcharge
CAP	Flat	\$3.25	\$3.25
MPWMD User Fee	294.69	8.33%	\$24.53
MPWMD Purchased Water	172.30	\$0.69	\$118.98
Allocation of MPWSP from CAP	Flat	\$1.27	\$1.27
SRF	5/8 x 3/4"	Flat	\$2.70
WRRB Surcharge			
WRRB Meter Rate	5/8 x 3/4"	\$25.61	\$25.61
WRRB Tier 1 Rate	133.00	\$0.55	\$73.28
WRRB Tier 2 Rate	39.30	\$1.10	\$43.30
WRRB Tier 3 Rate	0.00	\$2.48	\$0.00
WRRB Tier 4 Rate	0.00	\$3.44	\$0.00
Total WRRB Surcharge			\$142.19
Subtotal Surcharges			\$292.92
Subtotal Taxes & Fees			\$41.61
Total Bill			\$852.67

California American Water
Monterey Water Supply Project
Non-Residential - Division 1 Bill Impacts

Monterey NR DV1- Current (2029)			
# Days in Billing period:	30		
Customer Assistance Program (CAP)	No		
Meter Size	1"		
Division	1		
Estimated consumption (CGL's)	218.97		
Customer Class	Residential		

Monterey NR DV1- Current (2029)				
Water Service Charge	1"			\$243.92
Subtotal Meter Charges				\$243.92
Water Usage Charge:	Rate/Unit	Units (per CGL)		Charge
Tier 1	218.97	\$2.2634		\$495.62
Tier 2	0.00	\$2.5493		\$0.00
Tier 3	0.00	\$2.8352		\$0.00
Tier 4	0.00	\$5.6941		\$0.00
Total Usage Charge (100 Gal)	218.97			\$495.62
Subtotal Base Bill				\$739.53
Surcharges:	Units	Rates		Surcharge
CEBA	218.97	\$0.00		\$0.00
CAP	Flat	\$3.25		\$3.25
MPWMD User Fee	739.53	8.33%		\$61.57
MPWMD Purchased Water	218.97	\$0.69		\$151.21
Subtotal Surcharges				\$216.03
Subtotal Taxes & Fees				\$49.18
Total Bill				\$1,004.74

Monterey NR DV1- Proposed (2030)			
# Days in Billing period:	30		
Customer Assistance Program (CAP)	No		
Meter Size	1"		
Division	1		
Estimated consumption (CGL's)	218.97		
Customer Class	Residential		

Monterey NR DV1- Proposed (2030)				
Water Service Charge	1"			\$423.42
Subtotal Meter Charges				\$423.42
Water Usage Charge:	Rate/Unit	Units (per CGL)		Charge
Tier 1	218.97	\$3.9699		\$869.30
Tier 2	0.00	\$4.4691		\$0.00
Tier 3	0.00	\$4.9683		\$0.00
Tier 4	0.00	\$9.9604		\$0.00
Total Usage Charge (100 Gal)	218.97			\$869.30
Subtotal Base Bill				\$1,292.72
Surcharges:	Units	Rates		Surcharge
CEBA	218.97	\$0.00		\$0.00
CAP	Flat	\$3.25		\$3.25
MPWMD User Fee	739.53	8.33%		\$61.57
MPWMD Purchased Water	218.97	\$0.69		\$151.21
Allocation of MPWSP from CAP	Flat	\$1.27		\$1.27
SRF	1"	Flat		\$11.12
WRRB Surcharge				
WRRB Meter Rate	1"	\$105.66		\$105.66
WRRB Tier 1 Rate	218.97	\$1.06		\$231.25
WRRB Tier 2 Rate	0.00	\$1.19		\$0.00
WRRB Tier 3 Rate	0.00	\$1.32		\$0.00
WRRB Tier 4 Rate	0.00	\$2.64		\$0.00
Total WRRB Surcharge				\$336.91
Subtotal Surcharges				\$565.32
Subtotal Taxes & Fees				\$95.06
Total Bill				\$1,953.10

California American Water
Monterey Water Supply Project
Non-Residential - Division 2 Bill Impacts

Monterey NR DV2- Current (2029)			
# Days in Billing period:	30		
Customer Assistance Program (CAP)	No		
Meter Size	1"		
Division	2		
Estimated consumption (CGL's)	218.97		
Customer Class	Residential		

Monterey NR DV2- Current (2029)			
Water Service Charge	1"		\$243.92
Subtotal Meter Charges			\$243.92
Water Usage Charge:	Rate/Unit	Units (per CGL)	Charge
Tier 1	0.00	\$2.2634	\$0.00
Tier 2	218.97	\$2.5493	\$558.22
Tier 3	0.00	\$2.8352	\$0.00
Tier 4	0.00	\$5.6941	\$0.00
Total Usage Charge (100 Gal)	218.97		\$558.22
Subtotal Base Bill			\$802.14
Surcharges:	Units	Rates	Surcharge
CAP	Flat	\$3.25	\$3.25
MPWMD User Fee	802.14	8.33%	\$66.78
MPWMD Purchased Water	218.97	\$0.69	\$151.21
Subtotal Surcharges			\$221.24
Subtotal Taxes & Fees			\$52.67
Total Bill			\$1,076.05

Monterey NR DV2- Proposed (2030)			
# Days in Billing period:	30		
Customer Assistance Program (CAP)	No		
Meter Size	1"		
Division	2		
Estimated consumption (CGL's)	218.97		
Customer Class	Residential		

Monterey NR DV2- Proposed (2030)			
Water Service Charge	1"		\$423.42
Subtotal Meter Charges			\$423.42
Water Usage Charge:	Rate/Unit	Units (per CGL)	Charge
Tier 1	0.00	\$3.9699	\$0.00
Tier 2	218.97	\$4.4691	\$978.61
Tier 3	0.00	\$4.9683	\$0.00
Tier 4	0.00	\$9.9604	\$0.00
Total Usage Charge (100 Gal)	218.97		\$978.61
Subtotal Base Bill			\$1,402.03
Surcharges:	Units	Rates	Surcharge
CAP	Flat	\$3.25	\$3.25
MPWMD User Fee	802.14	8.33%	\$66.78
MPWMD Purchased Water	218.97	\$0.69	\$151.21
Allocation of MPWSP from CAP	Flat	\$1.27	\$1.27
SRF	1"	Flat	\$11.12
WRRB Surcharge			
WRRB Meter Rate	1"	\$105.66	\$105.66
WRRB Tier 1 Rate	0.00	\$1.06	\$0.00
WRRB Tier 2 Rate	218.97	\$1.19	\$260.15
WRRB Tier 3 Rate	0.00	\$1.32	\$0.00
WRRB Tier 4 Rate	0.00	\$2.64	\$0.00
Total WRRB Surcharge			\$365.81
Subtotal Surcharges			\$599.44
Subtotal Taxes & Fees			\$102.44
Total Bill			\$2,103.91

California American Water
Monterey Water Supply Project
Non-Residential - Division 3 Bill Impacts

Monterey NR DV3- Current (2029)			
# Days in Billing period:	30		
Customer Assistance Program (CAP)	No		
Meter Size	1"		
Division	3		
Estimated consumption (CGL's)	218.97		
Customer Class	Residential		

Monterey NR DV3- Current (2029)			
Water Service Charge	1"		\$243.92
Subtotal Meter Charges			\$243.92
Water Usage Charge:			Charge
Tier 1	Rate/Unit	Units (per CGL)	\$2.2634
Tier 2	0.00	\$2.5493	\$0.00
Tier 3	218.97	\$2.8352	\$620.83
Tier 4	0.00	\$5.6941	\$0.00
Total Usage Charge (100 Gal)	218.97		\$620.83
Subtotal Base Bill			\$864.74
Surcharges:			
CAP	Units	Rates	Surcharge
	Flat	\$3.25	\$3.25
MPWMD User Fee	864.74	8.33%	\$71.99
MPWMD Purchased Water	218.97	\$0.69	\$151.21
Subtotal Surcharges			\$226.45
Subtotal Taxes & Fees			\$56.16
Total Bill			\$1,147.36

Monterey NR DV3- Proposed (2030)			
# Days in Billing period:	30		
Customer Assistance Program (CAP)	No		
Meter Size	1"		
Division	3		
Estimated consumption (CGL's)	218.97		
Customer Class	Residential		

Monterey NR DV3- Proposed (2030)			
Water Service Charge	1"		\$423.42
Subtotal Meter Charges			\$423.42
Water Usage Charge:			Charge
Tier 1	Rate/Unit	Units (per CGL)	\$3.9699
Tier 2	0.00	\$4.4691	\$0.00
Tier 3	218.97	\$4.9683	\$1,087.93
Tier 4	0.00	\$9.9604	\$0.00
Total Usage Charge (100 Gal)	218.97		\$1,087.93
Subtotal Base Bill			\$1,511.34
Surcharges:			
CAP	Units	Rates	Surcharge
	Flat	\$3.25	\$3.25
MPWMD User Fee	864.74	8.33%	\$71.99
MPWMD Purchased Water	218.97	\$0.69	\$151.21
Allocation of MPWSP from CAP	Flat	\$1.27	\$1.27
SRF	1"	Flat	\$11.12
WRRB Surcharge			
WRRB Meter Rate	1"	\$105.66	\$105.66
WRRB Tier 1 Rate	0.00	\$1.06	\$0.00
WRRB Tier 2 Rate	0.00	\$1.19	\$0.00
WRRB Tier 3 Rate	218.97	\$1.32	\$289.06
WRRB Tier 4 Rate	0.00	\$2.64	\$0.00
Total WRRB Surcharge			\$394.72
Subtotal Surcharges			\$633.56
Subtotal Taxes & Fees			\$109.83
Total Bill			\$2,254.72

**California American Water
Monterey Water Supply Project
Non-Residential - Division 4 Bill Impacts**

Monterey NR DV4- Current (2029)	
# Days in Billing period:	30
Customer Assistance Program (CAP)	No
Meter Size	1"
Division	4
Estimated consumption (CGL's)	218.97
Customer Class	Residential

Monterey NR DV4- Current (2029)				
Water Service Charge		1"		
Subtotal Meter Charges				
				\$243.92
				\$243.92
Water Usage Charge:		Rate/Unit	Units (per GGL)	Charge
Tier 1		0.00	\$2.2634	\$0.00
Tier 2		0.00	\$2.5493	\$0.00
Tier 3		0.00	\$2.8352	\$0.00
Tier 4		218.97	\$5.6941	\$1,246.86
Total Usage Charge (100 Gal)		218.97		\$1,246.86
Subtotal Base Bill				\$1,490.78
Surcharges:		Units	Rates	Surcharge
CAP		Flat	\$3.25	\$3.25
MPWMD User Fee		1490.78	8.33%	\$124.11
MPWMD Purchased Water		218.97	\$0.69	\$151.21
Subtotal Surcharges				\$278.57
Subtotal Taxes & Fees				\$91.07
Total Bill				\$1,860.41

Monterey NR DV4- Proposed (2030)	
# Days in Billing period:	30
Customer Assistance Program (CAP)	Not
Meter Size	1"
Division	4
Estimated consumption (CGI's)	218.97
Customer Class	Residential

Monterey NR DV4- Proposed (2030)				
Water Service Charge		1"		\$423.42
Subtotal Meter Charges				\$423.42
Water Usage Charge:		Rate/Unit	Units (per CGL)	Charge
Tier 1		0.00	\$3.9699	\$0.00
Tier 2		0.00	\$4.4691	\$0.00
Tier 3		0.00	\$4.9683	\$0.00
Tier 4		218.97	\$9.9604	\$2,181.06
Total Usage Charge (100 Gal)		218.97		\$2,181.06
Subtotal Base Bill				\$2,604.48
Surcharges:		Units	Rates	Surcharge
CAP		Flat	\$3.25	\$3.25
MPWMD User Fee		1490.78	8.33%	\$124.11
MPWMD Purchased Water		218.97	\$0.69	\$151.21
Allocation of MPWSP from CAP		Flat	\$1.27	\$1.27
SRF		1"	Flat	\$11.12
WRRB Surcharge				
WRRB Meter Rate		1"	\$105.66	\$105.66
WRRB Tier 1 Rate		0.00	\$1.06	\$0.00
WRRB Tier 2 Rate		0.00	\$1.19	\$0.00
WRRB Tier 3 Rate		0.00	\$1.32	\$0.00
WRRB Tier 4 Rate		218.97	\$2.64	\$578.12
Total WRRB Surcharge				\$683.78
Subtotal Surcharges				\$974.73
Subtotal Taxes & Fees				\$183.65
Total Bill				\$3,762.86