

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 13, 2026

Ronald K. Moore
Regulatory Affairs Dept.
Golden State Water Company
630 East Foothill Blvd.
San Dimas, CA 91773

Dear Mr. Moore,

The Water Division of the California Public Utilities Commission has approved Golden State Water Company's Advice Letter No. 1994, filed on March 11, 2026, regarding authorization to Transfer Residual Balances in various Balancing and Memorandum Accounts to the General Ratemaking Area Balancing Accounts, pursuant to D. 25-01-036 (and modified in D.25-07-018).

Enclosed are copies of the following revised tariff sheets, effective March 1, 2026, for the utility's files:

P.U.C. Sheet No.	Title of Sheet
10089-W	Table of Contents Sheet 1
10090-W	Table of Contents Sheet 2
Cancel	8967-W, 7747-W, 7750-W, 6652-W

Please contact Alex Pineda at Alex.Pineda@cpuc.ca.gov, if you have any questions.

Thank you.

Enclosures

**CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION**

Advice Letter Cover Sheet

Utility Name: Golden State Water Company

Date Mailed to Service List: 3/11/2026

District: Company-Wide

CPUC Utility #: 133 W

Protest Deadline (20th Day): 3/31/2026

Advice Letter #: 1994-W

Review Deadline (30th Day): N/A

Tier 1 2 3 Compliance
D.25-01-036 (and modified in

Requested Effective Date: 3/1/2026

Authorization D.25-07-018)

Transfer Amount: \$649,891

Description: Transfer Residual Balances in various Balancing and Memorandum Accounts to the General Ratemaking Area Balancing Accounts, pursuant to D. 25-01-036 (and modified in D.25-07-018).

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was mailed to the service list. Please see the "Response or Protest" section in the advice letter for more information.

Utility Contact: Ronald Moore

Utility Contact: Nanci Tran

Phone: (909) 394-3600 x682

Phone: (909) 394-3600 x422

Email: Ronald.Moore@gswater.com

Email: Nanci.Tran@gswater.com

Water Division Contact: Tariff Unit

Phone: (415) 703-1133

Email: Water.Division@cpuc.ca.gov

WD USE ONLY

DATE

STAFF

COMMENTS

APPROVED

WITHDRAWN

REJECTED

Signature: _____

Comments: _____

Date: _____



March 11, 2026

Advice Letter No. 1994-W

(133 W)

California Public Utilities Commission

Golden State Water Company (“GSWC”) hereby transmits the following tariff sheets applicable to its Water Operations:

<u>CPUC Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling CPUC Sheet No.</u>
	See Attachment 1	

These tariffs are submitted pursuant to General Order No. 96-B. Pursuant to General Order No. 96-B Water Industry Rule 7.3.2, this advice letter is designated as a Tier 1 Advice Letter.

Purpose

Transfer the residual balances in various balancing and memorandum accounts to the General Ratemaking Area Balancing Account (“GRABA”) and close related Preliminary Statements. The requests in this advice letter are being made pursuant to the directives in the Settlement Agreement adopted in Decision No, (“D.”) 25-01-036 (and modified in D.25-07-018).

Discussion

The GRABA records and aggregates small residual dollar amounts from expired authorized amortizations and other authorized dollar amounts for subsequent amortization at the ratemaking area level. A small residual balance would encompass any balance less than 2% of gross adopted revenues by ratemaking area. As such, GSWC is authorized to transfer residual balances from the expired balancing and memorandum accounts listed below in Table 1 to the GRABA.

D. 25-01-036¹, dated January 30, 2025, adopted the Settlement Agreement, which authorized the following actions for the GSWC balancing and memorandum accounts below:

- *Aerojet Water Litigation Memorandum Account* (“AEROJET”): GSWC is authorized to amortize the May 31, 2023 undercollection balance of \$3,614,317 recorded in the in the AEROJET by implementing a volumetric temporary

¹ Decision No. 25-01-036 (Ordering Paragraph No. 10) at p. 91 and Decision No. 25-07-018 (Ordering Paragraph No. 2), authorized the Petition to Modify D.25-01-036, at pp 5-6

surcharge. The AEROJET shall be closed when the amortization expires on August 31, 2025, and any residual balance shall be transferred to the GRABA.

GSWC Compliance: GSWC implemented the current surcharge for the AEROJET on February 1, 2025, via Advice Letter No. 1954-W. The AEROJET surcharge expired on August 31, 2025. As ordered, GSWC is transferring the residual balance of \$4,295, as of February 28, 2026, to the GRABA.

The reference to the AEROJET is being removed from GSWC's Preliminary Statement (Part RRR), via this advice letter filing.

- ***Catastrophic Event Memorandum Account - Extreme Heat Event ("CEMA-EHE"):*** GSWC was authorized to amortize the May 31, 2023, undercollection balance of \$27,113 recorded in the CEMA-EHE by implementing a temporary volumetric surcharge. The CEMA-EHE shall be closed when the amortization expires and any residual balance shall be transferred to the GRABA.

GSWC Compliance: GSWC implemented the surcharge for the CEMA-EHE on February 1, 2025, via Advice Letter No. 1954-W. The CEMA-EHE surcharge was expired on October 5, 2025. As ordered, GSWC is transferring the residual balance of (\$7,764) overcollection, as of February 28, 2026, to the GRABA.

The CEMA-EHE does not have an individual Preliminary Statement, it was created under the generic Catastrophic Event Memorandum Account ("CEMA") Preliminary Statement umbrella, therefore, there is no Preliminary Statement reference to remove. The CEMA-EHE is merely being closed, via this advice letter filing.

- ***Catastrophic Event Memorandum Account - COVID-19 ("CEMA-COVID 19"):*** GSWC was authorized to amortize the May 31, 2023 undercollection balance of \$1,245,729 recorded in the CEMA-COVID 19 by implementing a temporary volumetric surcharge. The CEMA-COVID 19 shall be closed when the amortization expires and any residual balance shall be transferred to the GRABA.

GSWC Compliance: GSWC implemented the surcharge for the CEMA-COVID 19 on February 1, 2025, via Advice Letter No. 1954-W. The CEMA-COVID 19 surcharge expired on January 31, 2026. As ordered, GSWC is transferring the residual balance of \$202,188, as of February 28, 2026, to the GRABA.

The CEMA-COVID 19 does not have an individual Preliminary Statement, it was created under the generic Catastrophic Event Memorandum Account ("CEMA") Preliminary Statement umbrella, therefore, there is no Preliminary Statement

reference to remove. The CEMA-COVID 19 is merely being closed, via this advice letter filing.

- ***Clearlake Supply Expense Balancing Account*** (“CSEBA”): GSWC was authorized to amortize the May 31, 2023, undercollection balance of \$36,906 recorded in the CSEBA by implementing a temporary volumetric surcharge. The CSEBA shall be closed when the amortization expires and any residual balance shall be transferred to the GRABA.

GSWC Compliance: GSWC implemented the surcharge for the CSEBA on February 1, 2025, via Advice Letter No. 1954-W. The CSEBA surcharge expired on January 31, 2026. As ordered, GSWC is transferring the residual balance of \$137,023, as of February 28, 2026, to the GRABA.

The reference to the CSEBA is being removed from GSWC’s Preliminary Statement (Part TTT), via this advice letter filing.

- ***2021 Water Conservation Memorandum Account*** (“2021WCMA”): GSWC was authorized to amortize the May 31, 2023 undercollection balance of \$891,471 recorded in the 2021WCMA by implementing a temporary volumetric surcharge. The 2021WCMA shall be closed when the amortization expires and any residual balance shall be transferred to the GRABA.

GSWC Compliance: GSWC implemented the surcharge for the 2021WCMA on February 1, 2025, via Advice Letter No. 1954-W. The 2021WCMA surcharge expired on January 31, 2026. As ordered, GSWC is transferring the residual balance of \$169,356, as of February 28, 2026, to the GRABA.

The reference to the 2021WCMA is being removed from GSWC’s Preliminary Statement (Part OOOO), via this advice letter filing.

- ***Tangible Property Regulations Collateral Consequences Memorandum Account*** (“TPRCCMA”): In the Settlement Agreement adopted in D.25-01-036, the CPUC acknowledged that D.23-06-024 authorized to amortization of the September 30, 2020, undercollection balance of \$838,700 recorded in the in the TPRCCMA by implementing a volumetric surcharge. The TPRCCMA shall be closed when the amortization expires and any residual balance shall be transferred to the GRABA.

GSWC Compliance: The TPRCCMA surcharge expired on July 30, 2024. As ordered, GSWC is transferring the residual balance of \$144,793 in the TPRCCMA to the GRABA.

The reference to the TPRCCMA (Part GGG) is being removed from GSWC's Preliminary Statement, via this advice letter filing.

Table 2 shows the residual balance transfers by ratemaking area.

Table 1. Balancing and Memorandum Accounts Residual Balances

<u>Preliminary Statement</u>	<u>Residual Balance to be transferred to the GRABA</u>
Aerojet Water Litigation Memorandum Account, Part RRR	\$4,295
Catastrophic Event Memorandum Account - Extreme Heat Event	(\$7,764)
Catastrophic Event Memorandum Account - COVID-19	\$202,188
Clearlake Supply Expense Balancing Account, Part TTT	\$137,023
2021 Water Conservation Memorandum Account, Part OOOO	\$169,356
Tangible Property Regulations Collateral Consequences Memorandum Account, Part GGG	\$144,793
Total	\$649,891

Note: "()" denotes an over-collection

Table 2. Residual Balance Transfers by Ratemaking Area

<u>GRABA Transfers by Rate-Making Area</u>	<u>Residual Balance Transfer</u>
Arden-Cordova	\$643.16
Bay Point	(\$20,971.67)
Clearlake	139,838.20
Los Osos	(\$5,571.00)
Santa Maria	(\$106,851.54)
Simi Valley	(\$57,214.86)
Region 2	(\$306,757.84)
Region 3	(\$139,801.66)
General Office	\$1,146,578.13
Total	\$649,890.92

Note: “()” denotes an over-collection

Compliance

GSWC’s request in this advice letter is in full compliance with the directives in the Settlement Agreement adopted in D.25-01-036 and D.25-07-018 for the aforementioned balancing and memorandum accounts and is, also, in compliance with the provisions for transferring residual balancing and memorandum account balances to the GRABA.

Upon transferring the residual balances to the GRABA, the above-mentioned balancing and memorandum accounts will be closed and those that have an actual Preliminary Statement, the reference and Part number will be removed from GSWC’s Tariff Book.

Tariff Changes

This advice letter will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule, or rule.

Supporting Workpapers

Supporting workpapers showing the February 28, 2026 residual balances in each of the aforementioned balancing and memorandum accounts are being provided to Water Division and the Public Advocates.

Effective Date

GSWC is requesting this advice letter become effective on March 1, 2026.

Customer Notice

Pursuant to Water Industry Rule No. 3.2 in the Commission’s General Order 96-B, this advice letter does not require a customer notice nor a customer notice verification.

Response Or Protest

Anyone may submit a response or protest for this Advice Letter (AL). When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

A **response** supports the filing and may contain information that proves useful to the Commission in evaluating the AL. A **protest** objects to the AL in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

1. The utility did not properly serve or give notice of the AL;
2. The relief requested in the AL would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
3. The analysis, calculations, or data in the AL contain material error or omissions;
4. The relief requested in the AL is pending before the Commission in a formal proceeding; or
5. The relief requested in the AL requires consideration in a formal hearing, or is otherwise inappropriate for the AL process; or
6. The relief requested in the AL is unjust, unreasonable, or discriminatory, provided that such a protest may not be made where it would require re-litigating a prior order of the Commission.

A protest may not rely on policy objections to an AL where the relief requested in the AL follows rules or directions established by statute or Commission order applicable to the utility. A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

Water Division (WD) must receive a response or protest via email (**or** postal mail) within 20 days of the date the AL is filed. When submitting a response or protest, **please include the utility name and advice letter number in the subject line.**

The addresses for submitting a response or protest are:

Email Address:

Water.Division@cpuc.ca.gov

Mailing Address:

CA Public Utilities Commission
Division of Water and Audits
505 Van Ness Avenue
San Francisco, CA 94102

On the same day the response or protest is submitted to WD, the respondent or protestant shall send a copy of the protest to Golden State Water Company at:

Email Address:

regulatoryaffairs@gswater.com

Mailing Address:

Golden State Water Company
Attn: Ronald Moore
630 East Foothill Blvd.
San Dimas, CA 91773

Replies

The utility shall reply to each protest and may reply to any response. Any reply must be received by WD within five business days after the end of the protest period, and shall be served on the same day on each person who filed the protest or response to the AL.

The actions requested in this advice letter are not now the subject of any formal filings with the California Public Utilities Commission, including a formal complaint, nor action in any court of law.

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, within the 20-day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

No individuals or utilities have requested notification of filing of tariffs. Distribution of this advice letter is being made to the attached service list in accordance with General Order No. 96-B.

Sincerely,

/s/ Ronald Moore

Ronald Moore

Regulatory Affairs Department
Golden State Water Company

c: Wilson Tsai, CPUC – Water Division
Bruce DeBerry, CPUC – Water Division
Alex Pineda, CPUC- Water Division
Richard Rauschmeier, CPUC- Public Advocates
Syreeta Gibbs, CPUC- Public Advocates
Victor Chan, CPUC- Public Advocates

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
10089-W	Table of Contents Sheet 1	10086-W
10090-W	Table of Contents Sheet 2	10045-W
Cancel	Preliminary Statement 2021 Water Conservation Memorandum Account Sheet 1	8967-W
Cancel	Preliminary Statement Aerojet Water Litigation Memorandum Account Sheet 1	7747-W
Cancel	Preliminary Statement Clearlake Supply Expense Balancing Account Sheet 1	7750-W
Cancel	Preliminary Statements Tangible Property Regulations Collateral Consequences Memorandum Account Sheet 1	6652-W

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The following tariff sheets contain all effective rates and rules affecting rates and service of the utility, together with information relating thereto:

<u>Subject Matter of Sheet</u>	<u>CPUC Sheet No.</u>	
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Page 2	10090-W	(T)
Page 3	9892-W	
Page 4	10087-W	(P)
Page 5	10088-W	(P)
Page 6	9884-W	
Page 7	10053-W	(P)
Preliminary Statements:		
A Territory served by Utility	9671-W	
B-E Types and Classes of Service, Description of Service, Procedure to Obtain Service and Symbols	7005-W	
F Income Tax Component of Contribution Provision		
Page 1	3140-W	
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Page 3	3142-W	
G Contaminant Remediation Memorandum Account	10046-W	
H PFAS Contamination Litigation Proceeds Memorandum Account	9874-W	
I Monterey-Water Revenue Adjustment Mechanism Balancing Account	9886-W	
J Purchased Water Incremental Cost Balancing Account	10041-W	
K Pump Tax Incremental Cost Balancing Account	10042-W	
L Purchased Power Incremental Cost Balancing Account	10043-W	
M Santa Maria Water Rights Memorandum Account	5096-W	
Q Customer Assistance Program (CAP) Balancing Account	8888-W	
W Water Revenue Adjustment Mechanism/Modified Cost Balancing Account (WRAM/MCBA)		
Page 1	6477-W	
Page 2	6478-W	
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Page 4	7075-W	
Page 5	7076-W	
GG Water Cost of Capital Adjustment Mechanism	9150-W	
MM Omega Chemical Corporation Superfund Site Memorandum Account	5848-W	
OO Pension And Benefits Balancing Account	5937-W	
TT Los Osos Groundwater Adjudication Memorandum Account	6101-W	
UU Santa Maria Steelhead Recovery Plan Memorandum Account	6103-W	
ZZ Low-Income Customer Data Sharing Memorandum Account	6225-W	

(Continued)

(To be inserted by utility)	<i>Issued By</i>	(To be inserted by P.U.C.)
Advice Letter No. <u>1994-W</u>	R. J. Sprowls	Date Filed <u>March 11, 2026</u>
Decision No. <u>25-01-036</u>	President	Effective <u>March 1, 2026</u>
		Resolution No. _____

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Subject Matter of Sheet

CPUC Sheet No.

Preliminary Statements:

HHH	Catastrophic Event Memorandum Account	8484-W	(D)
JJJ	American Recovery And Reinvestment Act Balancing Account	6938-W	
MMM	Los Osos Basin Management Committee Memorandum Account		
	Page 1	7441-W	
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NNN	Basin Pumping Rights Litigation Memorandum Account	7451-W	
III	General Ratemaking Area Balancing Account	9858-W	(D)
JJJJ	San Luis Obispo Valley Groundwater Basin Memorandum Account	8367-W	(D)
KKKK	Public Safety Power Shut-Offs Memorandum Account		
	Page 1	8418-W	
	Page 2	8419-W	
LLLL	Polyfluoroalkyl Substances Memorandum Account	8494-W	
PPPP	Sutter Pointe General Rate Case Memorandum Account	9001-W	(D)
RRRR	2022 Interim Rates Memorandum Account	9007-W	
SSSS	Lead and Copper Rule Revisions Memorandum Account		
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TTTT	Crescent Bay -Unanticipated Repair Cost Memorandum Account	9290-W	
UUUU	Drinking Water Fees Balancing Account	9360-W	
VVVV	Internal Revenue Service Private Letter Ruling Memorandum Account	9520-W	
WWWW	Conservation Regulation Memorandum Account	9623-W	
XXXX	2025 Interim Rates Memorandum Account	9662-W	
YYYY	2023 GRC Capital Memorandum Account	9787-W	
ZZZZ	Chromium-6 Memorandum Account	9817-W	

(Continued)

(To be inserted by utility)

Advice Letter No. 1994-W
 Decision No. 25-01-036

Issued By
R. J. Sprowls
President

(To be inserted by P.U.C.)

Date Filed March 11, 2026
 Effective March 1, 2026
 Resolution No. _____

Preliminary Statement
2021 Water Conservation Memorandum Account

OOOO. 2021 WATER CONSERVATION MEMORANDUM ACCOUNT

(N)

PURPOSE

The 2021 Water Conservation Memorandum Account ("2021WCMA") will track the extraordinary expenses and penalties associated with the activation of Schedule 14.1 and the implementation of Rule 14.1. The 2021WCMA is consistent with Commission Resolution W-4976 and the Commission's Standard Practice U-40-W, Procedures for Water Conservation, Rationing, and Service Connection Moratoria.

APPLICABILITY

The 2021WCMA will record GSWC's incremental public relations expenses, incremental conservation education expenses, water conservation material expenses including but not limited to lawn replacement programs, appliance and fixture rebate programs, other Operations and Maintenance ("O&M") and Administrative and General ("A&G") expenses, penalties, fines and surcharges from wholesale providers and governing agencies that are unforeseen and unexpected directly associated with complying and implementing the mandated conservation practices.

The 2021WCMA will also record monies paid by customers for fines, penalties, or other compliance measures associated with water use violations, the revenue shortfall associated with the conservation measures on GSWC's quantity revenues, excluding revenues generated from GSWC's Recycled Water tariffs, that are not covered by the WRAM. GSWC will calculate recovery of its lost revenues related to its non-WRAM tariffs in accordance with Item 36 of the Standard Practice U-40 by subtracting from the balance a revenue requirement amount equal to a 20-basis point reduction in the utility's most recently adopted return on equity. In ratemaking areas with both WRAM and non-WRAM tariffs, GSWC will make this adjustment based on the proportionate adopted revenue requirement amount of the non-WRAM tariffs to the total adopted revenue requirement of the ratemaking area.

MONTHLY ACCOUNT ENTRIES

- a. A debit entry shall be made to the 2021WCMA at the end of each month to record the incremental expenses and the revenue shortfall.
- b. A credit entry shall be made to the 2021WCMA at the end of each month to record the revenues collected under Schedule No. 14.1 and other mandatory conservation-related charges imposed on customers.
- c. Interest shall accrue to the 2021WCMA on a monthly basis by applying a rate equal to one-twelfth of the 3-month non-financial Commercial Paper Rate, as reported in the Federal Reserve Statistical Release, to the average of the beginning-of-month and the end-of-month balances.

EFFECTIVE DATE

The 2021WCMA shall go into effect on the effective date of Advice Letter 1861-W.

DISPOSITION

Disposition of amounts recorded in the 2021WCMA shall be determined in GSWC's next General Rate Case application, or as otherwise determined by the Commission if the account's cumulative balance exceeds 2% of GSWC's adopted gross revenues.

(N)

(To be inserted by utility)

Advice Letter No. 1994-W
Decision No. 25-01-036

Issued By
R. J. Sprows
President

(To be inserted by P.U.C.)

Date Filed _____
Effective _____
Resolution No. _____

Preliminary Statement
Aerojet Water Litigation Memorandum Account

RRR. AEROJET WATER LITIGATION MEMORANDUM ACCOUNT

(N)

Golden State Water Company ("GSWC") shall maintain an Aerojet Water Litigation Memorandum Account ("AEROJET Memo Account") to track the amortization of the legal expenses incurred from two lawsuits filed by GSWC against Aerojet involving the contamination of the water supply used to serve its Arden Cordova customer service area. GSWC was authorized in Decision No. ("D.") 05-07-045 to amortize, over a 20-year period, \$21,298,491 recorded in this memo account, starting in 2005. Furthermore, D.05-07-045 ordered GSWC to re-calibrate the temporary charges in every general rate case involving the Arden-Cordova customer service area.

1. PURPOSE

The purpose of the AEROJET Memo Account is to track the 20-year amortization of the legal expenses incurred by GSWC for the water contamination lawsuits filed in the Arden Cordova customer service area.

2. APPLICABILITY

The AEROJET Memo Account is applicable to all customers in the Arden Cordova customer service area.

3. RATE COMPONENT

The AEROJET Memo Account has rate components (surcharges) for the years 2016-2018.

4. ACCOUNTING PROCEDURE

The AEROJET Memo Account shall include:

1. The unrecovered legal expenses incurred from the two lawsuits against Aerojet and approved for recovery by the CPUC, all revenues received from the AEROJET Memo Account surcharges in the Arden Cordova, plus any Water Availability Fees ("WAF") collected from the Aerojet Corporation for any new home development on the property it owns in the City of Rancho Cordova and surrounding areas.

GSWC shall maintain the AEROJET Memo Account by making entries at the end of each month as follows:

- a. A credit entry shall be made to the AEROJET Memo Account at the end of each month to record the revenue received from the AEROJET Memo Account surcharges and any WAF fees collected by the Aerojet Corporation for new home development.
- b. A debit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entry (a.), at a rate equal to one-twelfth of the rate on three month Commercial Paper, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

5. DISPOSITION

Disposition of amounts recorded in the AEROJET Memo Account shall be determined in each General Rate Case proceeding involving the Arden Cordova customer service area until balance reaches zero.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1994-W
Decision No. 25-01-036

Issued By
R. J. Sprows
President

(To be inserted by P.U.C.)

Date Filed _____
Effective _____
Resolution No. _____

Preliminary Statement
Clearlake Supply Expense Balancing Account

TTT. CLEARLAKE SUPPLY EXPENSE BALANCING ACCOUNT

(N)

Golden State Water Company ("GSWC") shall maintain a Clearlake Supply Expense Balancing Account ("CSEBA") to track the incremental difference between actual purchased water rates per ccf and purchased electricity per kwh and adopted purchased water rates per ccf and purchased electricity per kwh.

1. **PURPOSE**

The purpose of the CSEBA is to track the incremental rate difference between actual and adopted purchased water rates per ccf and purchased electricity rates per kwh in the Clearlake Customer Service Area (CSA). Since the Clearlake CSA does not have a Modified Cost Balancing Account ("MCBA"), this balancing account tracks rate fluctuations in the Clearlake CSA.

2. **APPLICABILITY**

The CSEBA is applicable to all customers in the Clearlake CSA.

3. **ACCOUNTING PROCEDURES**

GSWC shall maintain the CSEBA by making entries at the end of each month as follows:

- a. A debit or credit entry shall be made to the CSEBA at the end of each month to record the difference between actual purchased water rates per ccf and purchased electricity per kwh, and adopted purchased water rates per ccf and purchased electricity per kwh.
- b. A corresponding credit or debit entry is made to supply cost expense for these rate differences.
- c. Interest shall accrue to the CSEBA on a monthly basis by applying a rate equal to one-twelfth of the 3-month Commercial Paper Rate, as reported in the Federal Reserve Statistical Release, to the average of the beginning-of-month and the end-of-month balances.

4. **DISPOSITION**

Disposition of amounts recorded in the CSEBA shall be determined in a proceeding (formal and /or informal), as designated by the California Public Utilities Commission.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1994-W
Decision No. 25-01-036

Issued By
R. J. Sprowls
President

(To be inserted by P.U.C.)

Date Filed _____
Effective _____
Resolution No. _____

Preliminary Statements
Tangible Property Regulations Collateral Consequences Memorandum Account

GGG. Tangible Property Regulations Collateral Consequences Memorandum Account

(N)

1. Purpose

The purpose of the Tangible Property Regulations Collateral Consequences Memorandum Account ("TPRCCMA"), pursuant to the settlement agreement adopted in D. 13-05-011, is to record other tax effects resulting from Implementing the Internal Revenue Service guidelines for the water industry for determining which costs for maintaining, replacing or improving property may be expensed and which costs must be capitalized ("Repair Regulations"). The memorandum account tracks permanent and flow-through tax effects on other tax calculations resulting from implementing the Repair Regulations that may increase or decrease federal income taxes or California Corporation Franchise Taxes in years prior to 2016, including, but not limited to, changes to the Domestic Production Activities Deduction, CCFT, and audit defense costs directly associated with the implementation of the repair regulations. The TPRCCMA will remain open until January 1, 2016.

To the extent that the effects of implementing the Repair Regulations impact GSWC's revenue requirement prior to the approval of the memorandum account, GSWC shall treat an equivalent offsetting portion of the temporary difference of implementing the Repair Regulations as a flow-through adjustment with the intent that GSWC be made whole. The final incurred costs shall be reviewed in GSWC's next General Rate Case and shall be subject to refund.

2. Applicability

GSWC shall maintain the TPRCCMA by making entries as follows:

- a. An entry (debit or credit) shall be made to the TPRCCMA to record any collateral costs from implementing the income tax tangible property regulations ("Repair Regulations").
- b. The TPRCCMA will accrue interest on a monthly basis by applying a rate equal to one-twelfth of the 3-month Commercial Paper Rate, as reported in the Federal Reserve Statistical Release, to the average of the beginning-of-month and the end-of-month balances.

3. Effective Date

The TPRCCMA shall go into effect on the effective date of Advice Letter 1524-W.

4. Disposition

The TPRCCMA will be reviewed in GSWC's next General Rate Case.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1994-W
Decision No. 25-01-036

Issued By
R. J. Sprowls
President

(To be inserted by P.U.C.)

Date Filed _____
Effective _____
Resolution No. _____

DIRECTOR OF PUBLIC SERVICES
TOWN OF APPLE VALLEY
14955 DALE EVANS PARKWAY
APPLE VALLEY, CA 92307

CITRUS HEIGHTS WATER DISTRICT
6230 SYLVAN ROAD
CITRUS HEIGHTS CA 95610

CARMICHAEL WATER DISTRICT
7837 FAIR OAKS BLVD.
CARMICHAEL, CA 95608-2405

FAIR OAKS WATER DISTRICT
10317 FAIROAKS BLVD.
FAIROAKS, CA 95628

BAY POINT MUNICIPAL ADVISORY COUNCIL
3105 WILLOW PASS ROAD
BAY POINT, CA 94565-3149

BARLEN MUTUAL WATER
P O BOX 77
BARSTOW, CA 92311

CITY OF MORRO BAY
955 SHASTA AVENUE
MORRO BAY, CA 93442

**CONTRA COSTA COUNTY
CONSERVATION & DEVELOPMENT**
30 MUIR ROAD
MARTINEZ, CA 94553

CITY OF MARTINEZ
525 HENRIETTA AVENUE
MARTINEZ, CA 94553

CAMBRIA COMMUNITY SERVICES DIST.
1316 TAMSON DRIVE – SUITE 201
P.O. BOX 65
CAMBRIA, CA 93428

**CITY ATTORNEY
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SAN LUIS OBISPO, CA 93408

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HAWTHORNE, CA 90250

CITY OF HUNTINGTON PARK
WATER DEPARTMENT
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CITY OF INGLEWOOD
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CITY OF LAKEWOOD
WATER DEPARTMENT
P.O. BOX 220
LAKEWOOD, CA 90714-0220

LONG BEACH WATER DEPARTMENT
GENERAL MANAGER, CHRIS GARNER
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LONG BEACH, CA 90807

HONORABLE MAYOR KAREN BASS
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CITY OF LOS ANGELES
DEPARTMENT OF WATER & POWER
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CITY OF NORWALK
WATER DEPARTMENT
12700 NORWALK BLVD. – ROOM #5
NORWALK, CA 90650

CITY OF TORRANCE
WATER DEPARTMENT
3031 TORRANCE BLVD.
TORRANCE, CA 90503

CALIFORNIA WATER SERVICE
RANCHO DOMINGUEZ DISTRICT
2632 WEST 237TH STREET
TORRANCE, CA 90505-5272

CITY OF PARAMOUNT
WATER DEPARTMENT
16420 COLORADO STREET
PARAMOUNT, CA 90723

MAYWOOD MUTUAL WATER - NO. 2
3521 EAST SLAUSON STREET
MAYWOOD, CA 90270

MAYWOOD MUTUAL WATER - NO. 3
6151 HELITROPE AVENUE
MAYWOOD, CA 90270-3418

PICO COUNTY WATER DISTRICT
P O BOX 758
PICO RIVERA, CA 90660-0768

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COVINA, CA 91724-4044

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GENERAL MANAGER
6252 TELEGRAPH ROAD
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JULIE FRAZEIR-MATHEWS – EXECUTIVE ASST.
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CARSON, CA 90746-1296

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CITY ATTORNEY & CITY CLERK
CITY OF SOUTH GATE
8650 CALIFORNIA AVENUE
SOUTH GATE, CA 90280

COUNTY CLERK
COUNTY OF LOS ANGELES
12400 IMPERIAL HIGHWAY
NORWALK, CA 90650

COUNTY CLERK
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SANTA ANA, CA 92702

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CITY OF ORANGE
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CALIPATRIA, CA 92233

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7105 AIRWAY DRIVE
YUCCA VALLEY, CA 92284

CALIFORNIA DEPT. OF FORESTRY HDQTRS
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SAN BERNARDINO, CA 92405

COUNTY CLERK
COUNTY OF SAN BERNARDINO
222 W. HOSPITALITY LANE
SAN BERNARDINO, CA 92415

IMPERIAL COUNTY BOARD OF SUPERVISORS
ATTN: SUPERVISOR JOHN HAWK, DISTRICT 5
COUNTY ADMINISTRATION CENTER
940 W. MAIN STREET - #209
EL CENTRO, CA 92243-2871

VICTOR VALLEY WATER DISTRICT
14343 CIVIC DRIVE
P O BOX 5001
VICTORVILLE, CA 92392

WESTMORLAND WATER COMPANY
P.O. BOX 698
WESTMORLAND, CA 92281

CITY OF ALHAMBRA UTILITIES DEPT.
111 S. FIRST AVENUE
ALHAMBRA, CA 91801

CITY OF COVINA
125 EAST COLLEGE STREET
COVINA, CA 91723-2199

CITY OF GLENDORA
116 EAST FOOTHILL BLVD.
GLENDORA, CA 91740

HEBER PUBLIC UTILITY DISTRICT
P. O. BOX H
HEBER, CA 92249

CITY OF IMPERIAL
WATER DEPARTMENT
420 S. IMPERIAL AVENUE
IMPERIAL, CA 92251

CITY OF LA PALMA
7822 WALKER STREET
LA PALMA, CA 90623
ATTN: JEFF MONEDA, PW DIRECTOR

CITY OF MONROVIA WATER COMPANY
415 S. IVY AVENUE
MONROVIA, CA 91016

CITY OF WEST COVINA
WATER DEPARTMENT
825 S. SUNSET AVENUE
WEST COVINA, CA 91790

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COVINA, CA 91723

CITY ATTORNEY
CITY OF CYPRESS
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CITY ATTORNEY
CITY OF ORANGE
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CITY OF ROSEMEAD
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ROSEMEAD, CA 91770

CITY ATTORNEY
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CITY CLERK
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NILAND CHAMBER OF COMMERCE**
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COUNTY OF LOS ANGELES**
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CITY OF EL CENTRO WATER
1275 W. MAIN STREET
EL CENTRO, CA 92243

**NAVAL FACILITIES ENGINEERING COMMAND
REA D. ESTRELLA
SOUTHWEST DIVISION**
1220 PACIFIC HIGHWAY
SAN DIEGO, CA 92132

**WATER ISSUES COMMITTEE
WRIGHTWOOD PROPERTY OWNERS ASSOC.**
P O BOX 487
WRIGHTWOOD, CA 92397

**MORONGO VALLEY COMMUNITY
SERVICE DISTRIBUTION**
P O BOX 46
MORONGO VALLEY, CA 92256

**CITY CLERK
CITY OF PLACENTIA**
401 E. CHAPMAN AVENUE
PLACENTIA, CA 92870

WALNUT VALLEY WATER DISTRICT
271 S. BREA CANYON ROAD
WALNUT, CA 91789

CITY OF FULLERTON
303 W. COMMONWEALTH AVENUE
FULLERTON, CA 92631

**CITY OF BREA
WATER DEPARTMENT**
#1 CIVIC CENTER DRIVE
BREA, CA 92621

CITY OF WHITTIER
13230 PENN STREET
WHITTIER, CA 90602

**VENTURA COUNTY WATERSHED
PROTECTION DISTRICT**
800 S. VICTORIA STREET
VENTURA, CA 93009-1600

SHEEP CREEK WATER COMPANY
P O BOX 291820
PHELAN, CA 92329-18208
ATTN: CHIS CUMMINGS

HOLLY MITCHELL – 2ND DISTRICT
L. A. COUNTY BOARD OF SUPERVISORS
ROOM 866 – HALL OF ADMINISTRATION
500 WEST TEMPLE STREET
LOS ANGELES, CA 90012

JOHN FARNKOPF, SENIOR VICE PRESIDENT
HILTON FARNKOPF & HOBSON, LLC
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WALNUT CREEK, CA 94596

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LUCERNE VALLEY, CA 92356

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P O BOX
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LADWP
P O BOX 515407
LOS ANGELES, CA 90051-5707

K'S MOBILE HOME, LLC.
c/o **CAROLE KAJIKAWA**
2236 W. 233RD STREET
TORRANCE, CA 90501

CITY OF POMONA
505 S. GAREY AVENUE
POMONA, CA 91766

CYPRESS RIDGE HOA
ATTN: PRESIDENT
1050 CYPRESS RIDGE PKWY.
ARROYO GRANDE, CA 93420

CITY OF LAWDALE
14717 BURIN AVENUE
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5953 GIFFFORD STREET
HUNTINGTON PARK, CA 90255

ARROYO GRANDE MUNICIPAL WATER DEPT.
300 E. BRANCH STREET
ARROYO GRANDE, CA 93420

CITY OF BELL GARDENS
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BELL GARDENS, CA 90201

CITY OF MONTEREY PARK WATER CO.
320 W. NEWMARK AVENUE
MONTEREY PARK, CA 91754