
Preliminary Statement

A. Territory served by the Utility

The areas in which service is or will be furnished by this utility under its main extension rule are described below and are delineated on the tariff area maps shown on tariff sheets following:

Contra Costa County:

Bay Point

Imperial County:

Calipatria-Niland

Lake County:

Clearlake

Los Angeles County:

Metropolitan
Claremont
San Dimas
San Gabriel Valley

Orange County

Orange County

Sacramento County:

Arden-Cordova

San Benito County:

San Juan Oaks

San Bernardino County:

Barstow
Desert
Wrightwood

San Luis Obispo County:

Los Osos
Santa Maria (Nipomo)

Santa Barbara County:

Santa Maria (Cypress Ridge, Lake Marie, Nipomo, Orcutt, Sisquoc, and Tanglewood)

Sutter County:

Robbins
Sutter Pointe

(N)

(N)

Ventura County:

Simi Valley

(Continued)

(To be inserted by utility)

Advice Letter No. 1986-W
Decision No. 25-10-035

Issued By
R. J. Sprowls
President

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

Date Filed December 11, 2025
Effective January 1, 2026
Resolution No. _____

Preliminary Statement

B. Types and Classes of Services

The types and classes of services furnished are set forth in each rate schedule under the designation "Applicability".

C. Description of Service

The characteristics of the service furnished are indicated in Rule No. 2, Description of Service.

D. Procedure to Obtain Service

Service as described herein will be furnished to any person or corporation whose premises are within the utility's service area, provided application is made in accordance with Rule No. 3, Application for Service; credit is established as required in Rule No. 6, Establishment and Re-establishment of Credit; customer's piping and valves are installed as required in Rule No. 16, Service Connections, Meters, and Customer's Facilities, under "Customer's Responsibility"; and a contract is signed in those certain circumstances specified in Rule No. 4, Contracts.

Where an extension of the utility's mains is necessary Rule No. 15, Main Extensions, applies, and if the project is of a temporary or speculative nature, Rule No. 13, Temporary Service, is applicable.

Applicants for service and customers must also conform to and comply with the other established rules as provided herein.

E. Symbols

Whenever tariff sheets are filed, changes will be identified by the following symbols:

- (C) To signify changed listing, rule, or condition which may affect a rate, charge, term, or condition;
- (D) To signify discontinued material, including a listing, rate, charge, rule, or condition;
- (I) To signify a rate or charge increase;
- (L) To signify material relocated to another part of tariff schedules with no change in text;
- (N) To signify new material including a listing, rate, charge, rule or condition;
- (P) To signify material subject to change under a pending application or advice letter;
- (R) To signify a rate or charge reduction; and
- (T) To signify textual change that does not affect a rate, charge, term, or condition

(T)
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(To be inserted by utility)	Issued By	(To be inserted by P.U.C.)
Advice Letter No. <u>1576-W</u>	R. J. SPROWLS	Date Filed <u>October 2, 2014</u>
Decision No. _____	President	Effective <u>October 2, 2014</u>
		Resolution No. _____

Preliminary Statement

F. INCOME TAX COMPONENT OF CONTRIBUTION PROVISION

(N)

1. General. Effective on and after January 1, 1987, all Contributions in Aid of Construction and Advances for Construction (Contributions) made to the Company pursuant to its tariffs shall include a cost component to cover the Company's estimated liability for Federal Income Tax resulting therefrom.

2. Definitions
 - a. Contributions: Contributions shall include, but are not limited to: cash, services, facilities, labor, property, and income taxes thereon provided to the Company by a person or agency. The value of all Contributions shall be based on the Company's estimates. Contributions shall consist of two components as follows:
 - (1) Income Tax Component of Contribution (ITCC); and
 - (2) The balance of the Contribution, excluding ITCC, (Balance of Contribution).
 - b. Government Agency: For purposes of administering this part of the Preliminary Statements, a Government Agency shall be a California state, county, or local government agency.
 - c. Public Benefit: Where, in the opinion of the Company, a benefit to the public as a whole is clearly shown by the Government Agency making the Contribution for a project.

3. Determination of ITCC
 - a. The ITTC shall be calculated by multiplying the Balance of the Contribution by the Tax Factor of:
 - (1) 0.312 for calendar year 1987 contributions; and
 - (2) 0.246 on or after January 1, 1988.

(N)

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(To be inserted by utility)

Advice Letter No. 775-W
Decision No. 87-09-026

Issued By
W. V. CAVENEY
President

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

Date Filed December 7, 1987
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Resolution No. _____

Preliminary Statement

F. INCOME TAX COMPONENT OF CONTRIBUTION PROVISION (Continued) (N)

3. Determination of ITCC (Continued)
 - b. The tax factor included herein is established using Method 5 as set forth in and pursuant to the Commission's Decision No. 87-09-026. Should the Internal Revenue Service (IRS) deem Method 5 to be a violation of the tax normalization rules, any penalties, interest or taxes incurred by the Company shall be recovered through general rates.
4. Applicability. The ITCC shall apply to Contributions under the tariffs including but not limited to Rule Nos 4, 13, and 15.
5. State Taxes. Under the current California State law, Contributions are not taxable at the time of the Contribution. In the event legislation is enacted to conform state law to federal law, the Company may increase the amount it collects from the Contributor to include its estimate of the tax resulting therefrom. In the event state law is applied retroactively, the Company may collect such tax for the retroactive period through general rates in accordance with Ordering Paragraph No. 6 of Decision No. 87-09-026.
6. The Company may accept a contractual promise to pay the ITCC, including interest thereon, (using an Agreement form filed with and approved by the Commission) from a Government Agency required to make a Contribution pursuant to the tariffs where the Government Agency's project:
 - a. Provides a Public Benefit as defined above, or
 - b. Results from condemnation of Company facilities, or the threat or imminence thereof, which is supported by evidence provided by the Government Agency which is acceptable to the Company.

Unless an irrevocable determination acceptable to the Company is issued by the IRS that there is no tax liability to the Company on the Contribution for which the promise to pay was made, the ITCC including interest thereon, shall be due and payable no later than September 10, 1989. If the IRS makes a determination that the Contribution (or a contribution of that type) is taxable prior to September 10, 1989, the payment will become due at that time.

(N)

(Continued)

(To be inserted by utility)

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Preliminary Statement

F. INCOME TAX COMPONENT OF CONTRIBUTION PROVISION (Continued)

(N)

6. (Continued)

The Government Agency shall also pay, upon demand by the Company, any expense associated with, or incurred by the Company related to the promise to pay such as, but not limited to, administrative and legal costs, interest, and penalties assessed by the IRS.

7. Interest Rate. When interest is payable under this Part of the Preliminary Statement by the Contributor to the Company or by the Company to the Contributor, the Interest Rate to be applied each month to the balance due (including all prior interest) shall be 1/12 of the most recent month's interest rate on Commercial Paper (prime, three months), published in the Federal Reserve Statistical Release, G. 13. Should publication of the interest rate on Commercial Paper (prime, three months) be discontinued, interest will so accrue at the rate of 1/12 of the most recent month's interest rate on Commercial, which most closely approximates the rate that was discontinued and which is published in the Federal Reserve Statistical Release, G.13, or its successor publication.

8. Revisions. Changes in the Tax Factor which would increase or decrease the rate by five percentage points or more shall be made by advice letter filing as authorized in Ordering Paragraph No. 7 of Decision No. 87-09-026.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 775-W
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Issued By
W. V. CAVENEY
President

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

Date Filed December 7, 1987
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Resolution No. _____

Preliminary Statement
Contaminant Remediation Memorandum Account

G. CONTAMINANT REMEDIATION MEMORANDUM ACCOUNT (CRMA)

1. **Purpose**

The purpose of the CRMA is to record all incremental costs to comply with any new or revised Federal Environmental Protection Agency and/or California's State Water Resources Control Board, Division of Drinking Water rules, including, but not limited to, Maximum Contamination Levels (MCL) and contamination remediation requirements, pursuant to Decision No. 04-08-053.

The CRMA shall track incremental expenses related to capital carrying costs (e.g. depreciation, cost of debt, and other prudently incurred expenses, though does not include Return on Equity (ROE) recovery absent formal rate base inclusion), operation and maintenance, administration and general, monitoring, legal, and consultant expenses associated with activities to mitigate the effects of any new or changed rule or contaminant level. (T)
(T)
(T)

2. **Applicability**

The CRMA does not have a rate component.

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

- a. A debit entry shall be made to the CRMA at the end of each month to record the incremental costs.
- 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.

3. **Effective Date**

The CRMA shall have the effective date of August 19, 2004, to coincide with the effective date of Decision No. 04-08-053.

4. **Disposition**

Cost recovery shall be net of any previous expenses that were authorized to comply with previous remediation requirements that have been superseded as well as any reimbursements directly related to the projects and costs being accumulated in the CRMA.

GSWC will request Commission approval for recovery of the costs recorded in the CRMA in a proceeding authorized by the Commission.

(Continued)

(To be inserted by utility)

Advice Letter No. 1991-W
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Issued By
R. J. Sprows
President

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

Date Filed January 8, 2026
Effective February 7, 2026
Resolution No. _____

Preliminary Statement
PFAS Contamination Litigation Proceeds
Memorandum Account

H. PFAS Contamination Litigation Proceeds Memorandum Account

(N)

1. **Purpose**

The purpose of the perfluoroalkyl and polyfluoroalkyl (PFAS) Contamination Litigation Proceeds Memorandum Account (PFASCLPMA) is to track litigation settlement payments, judgments and credits received by Golden State Water related to litigating water contamination cases and legal action lawsuits related to PFAS contamination in its water systems. In addition, Golden State Water will track application of funds received towards investments in replacement and treatment property, as well as operations and maintenance expenses.

2. **Applicability**

All ratemaking areas within Golden State Water's service territory.

3. **Accounting Procedure**

Proceeds from any settlements received will be administered and processed in accordance with the Commission's guidelines established in OP 4 of Decision No. 10-10-018 and Appendix C (Rules for the Accounting of Water Contamination Proceeds) of Decision No.10-12-058, making entries as follows:

Investment Entries

- a. A debit or credit entry equal to the amounts recorded in Operations and Maintenance, and Administrative & General Expense Accounts for costs incurred to support PFAS litigation action.
- b. A debit or credit entry equal to the amounts obtained in judgements or settlements in the subject litigation.
- c. A debit or credit entry equal to operations and maintenance expenses related to PFAS contamination.
- d. A debit or credit entry equal to the original cost of capital investments placed in service to replace PFAS contaminated property or to treat water for PFAS contamination, including such projects that have been completed prior to the adoption of this memorandum account. Capital investments will be recorded by project and by district.

Revenue Requirement Entries

A debit or credit entry equal to the revenue requirement of each capital investment recorded in (d) that is not offset by contamination proceeds and is not included in authorized revenue requirement (including return on investment for company funded plant, income taxes, ad valorem tax, depreciation, and other taxes and fees).

4. **Effective Date**

The PFASCLPMA shall be effective on the filing date of Advice Letter 1966-W.

5. **Disposition**

There is no rate component to this memorandum account. The disposition of amounts recorded in the PFASCLPMA shall be determined upon Commission review and approval.

(N)

(To be inserted by utility)

Advice Letter No. 1966-W
Decision No. _____

Issued By
R. J. Sprowls
President

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

Date Filed June 12, 2025
Effective June 12, 2025
Resolution No. _____

Preliminary Statement

- I. Monterey-Water Revenue Adjustment Mechanism Balancing Account (M-WRAM)** (N)
- 1. Purpose**
The purpose of this balancing account is to track the quantity rate revenues recorded under each residential tiered rates schedule against the revenues that would have been recorded under a single quantity rate.
 - 2. Applicability**
The M-WRAM Balancing Account is applicable to the Region 1 Northern District (Arden Cordova and Clearlake), Bay Point, Los Osos, Santa Maria, Simi Valley, Region 2 and Region 3 ratemaking areas.
 - 3. Accounting Procedure**
The following entries will be made monthly to the M-WRAM Balancing Account in all applicable ratemaking areas:
 - a. The recorded revenues recorded through the tiered quantity rates under each ratemaking area's tiered Residential Meter Service rate schedule (debit).
 - b. The calculated revenues that would have been recorded under a single quantity rate for the same water usage as in 3a above (credit).
 - c. Total net M-WRAM balance = 3b minus 3a.
 - d. A negative (-) balance in the balancing account reflects a utility over collection to be refunded, while a positive balance reflects a utility under-collection to be recovered through the implementation of surcharges.
 - e. GSWC shall record the accumulated M-WRAM Balance monthly, by adding its entry in section 3c to the prior accumulated month balance.
 - f. Interest shall accrue 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 end-of balances.
 - 4. Effective Date**
The M-WRAM Balancing Account is effective January 1, 2025.
 - 5. Disposition**
The balance in the M-WRAM Balancing Account may be amortized by Tier 1 advice letter annually or requested through a General Rate Case. Recovery of under-collections will be passed through as a surcharge on volumetric charges; over-collections will be passed through as surcredits on the monthly service charges.

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(To be inserted by utility)

Advice Letter No. 1970-W
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Issued By
R. J. Sprowls
President

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

Date Filed September 16, 2025
Effective January 1, 2025
Resolution No. _____

Preliminary Statement

J. Purchased Water Incremental Cost Balancing Account (PW ICBA)

(N)

1. **Purpose**

The purpose of this Purchased Water Incremental Cost Balancing Account (PW ICBA) is to record the difference between the actual costs of purchased water and the adopted costs reflected in rates each month so that these differences can be trued-up after Commission review and approval.

2. **Applicability**

All GSWC ratemaking areas with applicable purchased water expense.

3. **Accounting Procedure**

The following entries will be made monthly to the PW ICBA in all applicable ratemaking areas:

- a. Adopted \$/CCF - Adopted purchased water \$/CCF per General Rate Case (GRC) Decision or updated via an approved Supply Offset Advice Letter.
- b. Actual \$/CCF - Current water supply prices applied to the water supply mix and purchased water rate schedules adopted in the GRC Decision.
- c. Incremental Difference - 3b minus 3a.
- d. Monthly Net PW ICBA - Actual Purchased Water Production (CCF) multiplied by 3c.
- e. A negative balance in the balancing Account reflects a utility over collection to be refunded, while a positive balance reflects a utility under-collection to be recovered through the implementation of surcharges.
- f. GSWC shall record the accumulated PW ICBA Balance monthly, by adding its entry in section 3d to the prior accumulated month balance.
- g. Interest shall accrue 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 end-of-month balances.

4. **Effective Date**

The PW ICBA is effective January 1, 2025.

5. **Disposition**

The balance in the PW ICBA may be amortized by Tier 1 advice letter annually or requested through a GRC. Recovery of under-collections will be passed through as a surcharge on volumetric charges; over-collections will be passed through as surcredits on the monthly service charges.

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(To be inserted by utility)

Advice Letter No. 1988-W
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(To be inserted by P.U.C.)

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Resolution No. _____

Preliminary Statement

K. Pump Tax Incremental Cost Balancing Account (PTX ICBA)

(N)

1. **Purpose**

The purpose of this Pump Tax Incremental Cost Balancing Account (PTX ICBA) is to record the difference between the actual costs of well water and the adopted costs reflected in rates each month so that these differences can be trued-up after Commission review and approval.

2. **Applicability**

All GSWC ratemaking areas with applicable well water expense.

3. **Accounting Procedures**

The following entries will be made monthly to the PTX ICBA in all applicable ratemaking areas:

- a. Adopted \$/CCF - Adopted pump tax \$/CCF per General Rate Case (GRC) Decision or updated via an approved Supply Offset Advice Letter.
- b. Actual \$/CCF - Current pump tax rates applied to supply mix and pump tax rate schedule adopted in the GRC Decision.
- c. Incremental Difference - 3b minus 3a.
- d. Monthly Net PTX ICBA - Actual well water production (CCF) multiplied by 3c.
- e. A negative balance in the balancing account reflects a utility over collection to be refunded, while a positive balance reflects a utility under-collection to be recovered through the implementation of surcharges.
- f. GSWC shall record the accumulated PTX ICBA Balance monthly, by adding its entry in section 3d to the prior accumulated month balance.
- g. Interest shall accrue 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 end-of-month balances.

4. **Effective Date**

The PTX ICBA is effective January 1, 2025.

5. **Disposition**

The balance in the PTX ICBA may be amortized by Tier 1 advice letter annually or requested through a GRC. Recovery of under-collections will be passed through as a surcharge on volumetric charges; over-collections will be passed through as surcredits on the monthly service charges.

(N)

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(To be inserted by utility)

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Preliminary Statement

L. Purchased Power Incremental Cost Balancing Account (PP ICBA)

(N)

1. **Purpose**

The purpose of this Purchased Power Incremental Cost Balancing Account (PP ICBA) is to record the difference between the actual costs of purchased power and the adopted costs reflected in rates each month so that these differences can be trued-up after Commission review and approval.

2. **Applicability**

All GSWC ratemaking areas with applicable purchased power expense.

3. **Accounting Procedure**

The following entries will be made monthly to the PP ICBA in all applicable ratemaking areas:

- a. Adopted \$/KWH - Adopted purchased power \$/KWH per General Rate Case (GRC) Decision or updated via an approved Supply Offset Advice Letter.
- b. Actual \$/KWH - Current power supply prices applied to the power supply mix adopted in GRC Decision.
- c. Incremental Difference - 3b minus 3a.
- d. Monthly Net PP ICBA - Actual power used (KWH) multiplied by 3c.
- e. A negative balance in the balancing account represents a utility over collection to be refunded, while a positive balance reflects a utility under-collection to be recovered through the implementation of surcharges.
- f. GSWC shall record the accumulated PP ICBA Balance monthly, by adding its entry in section 3d to the prior accumulated month balance.
- g. Interest shall accrue 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 end-of-month balances.

4. **Effective Date**

The PP ICBA is effective January 1, 2025.

5. **Disposition**

The balance in the PP ICBA may be amortized by Tier 1 advice letter annually or requested through a GRC. Recovery of under-collections will be passed through as a surcharge on volumetric charges; over-collections will be passed through as surcredits on the monthly service charges.

(N)

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(To be inserted by utility)

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Date Filed December 29, 2025
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Resolution No. _____

Preliminary Statement
Santa Maria Water Rights Memorandum Account

M. SANTA MARIA WATER RIGHTS MEMORANDUM ACCOUNT

(N)

Golden State Water Company ("GSWC") shall maintain a Santa Maria Water Rights Memorandum Account ("SMWRMA") to track the litigation costs associated with GSWC's efforts to protect its water rights in the Santa Maria Groundwater Basin due to the adjudication by the superior court, pursuant to Decision No. 07-05-041.

1. Purpose

The purpose of the SMWRMA is to track the legal costs incurred after 12/31/2005 for monitoring and participating in the adjudication, including litigation expenses to protect GSWC's water rights in the Santa Maria Groundwater Basin.

2. Applicability

The SMWRMA applies to all Santa Maria rate schedules.

The SMWRMA shall include:

All expenses incurred such as: monitoring of adjudication-related activities by the superior court and other interested parties to the groundwater basin, submitting comments, appearances before superior court, and court action costs.

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

- a. A debit entry shall be made to the SMWRMA at the end of each month to record the litigation expenses.
- b. Interest shall accrue to the SMWRMA 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 SMWRMA shall go into effect on the effective date of Advice Letter 1244-WA.

4. Disposition

Disposition of amounts recorded in the SMWRMA shall be determined in a subsequent regulatory proceeding, as authorized by the Commission.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1244-WA
Decision No. 07-05-041

Issued By
F. E. WICKS
President

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

Date Filed July 17, 2007
Effective July 27, 2007
Resolution No. _____

Preliminary Statement
Customer Assistance Program Balancing Account

Q. CUSTOMER ASISTANCE PROGRAM (CAP) BALANCING ACCOUNT

Golden State Water Company ("GSWC") shall maintain a Customer Assistance Program Balancing Account ("CAP Balancing Account") to record the differences between CAP discounts, program, costs, and the revenues generated by the CAP surcharge. (T)

1. Purpose

The purpose of the CAP Balancing Account is to record the CAP discounts, program costs and revenues.

2. Applicability

The CAP Balancing Account will record the CAP surcharges, discounts, and program costs as follows:

- 1.) CAP discounts for service, as provided under Schedule No. LI
- 2.) Incremental cost for the CAP program administration, which have not been reflected in authorized rates. (T)
- 3.) Recorded surcharge revenues collected from ineligible customers.

GSWC shall maintain the CAP Balancing Account by making entries at the end of each month as follows: (T)

- a. A debit entry shall be made to the CAP Balancing Account at the end of each month to record the CAP discounts and program costs.
- b. A credit entry shall be made to the CAP Balancing Account at the end of each month to record the revenues from the CAP surcharges.
- c. Interest shall accrue to the CAP Balancing Account 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. (T)

3. Effective Date

The CAP Balancing Account shall go into effect on the effective date of Advice Letter No. 1852-W. (T)

4. Disposition

Disposition of amounts recorded in the CAP Balancing Account will be recovered or Refunded as part of GSWC's General Rate Case proceedings. (T)

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(To be inserted by utility)

Advice Letter No. 1852-W
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Issued By
R. J. Sprowls
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(To be inserted by P.U.C.)

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Resolution No. _____

Preliminary Statement
Water Revenue Adjustment Mechanism/Modified Cost
Balancing Account (WRAM/MCBA)

W. WATER REVENUE ADJUSTMENT MECHANISM/MODIFIED COST BALANCING ACCOUNT (WRAM/MCBA)

1. Purpose

The purpose of the WRAM/MCBA Balancing Account is to track the difference between Commission approved water revenue and actual water revenues along with Commission approved supply expenses vs. actual supply expense. The Commission has determined that these accounting mechanisms are appropriate of increasing block rate structures and increased conservation activities.

2. Applicability

The WRAM Balancing Account and MCBA apply to all ratemaking areas within GSWC Service Areas, except in Clearlake.

3. Definitions

A. WRAM-eligible revenue is all General Metered revenue. General Metered revenue is revenue generated from customers under residential and non-residential metered tariffs schedules within GSWC Service territory, except in Clearlake.

B. Recorded WRAM-eligible revenue is all quantity revenue billed to General Metered customers in a particular period.

C. Adopted WRAM-eligible revenue is all Commission approved revenue billed to General Metered customers.

D. MCBA-eligible supply expenses are all purchase water expense, purchase power expense, and pump tax.

E. Adopted MCBA-eligible expenses are all Commission approved purchase water expense, purchase power expense, and pump tax.

F. Recorded MCBA-eligible expenses are all purchase water expense, purchase power expense, and pump tax in a particular period.

4. Accounting Procedure

A. The following entries will be recorded monthly to each ratemaking area's WRAM Balancing Account:

1. Recorded WRAM-eligible revenue
2. Adopted WRAM-eligible revenue (See Paragraph 8)
3. Total net WRAM balance = (1) minus (2)

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(To be inserted by utility)	<i>Issued By</i>	(To be inserted by P.U.C.)
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Decision No. <u>12-04-048</u>	President	Effective <u>January 13, 2013</u>
		Resolution No. _____

Preliminary Statement
Water Revenue Adjustment Mechanism/Modified Cost
Balancing Account (WRAM/MCBA)

W. WATER REVENUE ADJUSTMENT MECHANISM/MODIFIED COST BALANCING ACCOUNT (WRAM/MCBA)

4. Accounting Procedure (continued)

B. The following entries will be recorded monthly to each district's MCBA:

1. Recorded purchased water cost, if applicable
2. Adopted purchased water cost, if applicable (See paragraph 8)
3. Difference between (1) and (2)
4. Recorded purchased power cost
5. Adopted purchased power cost, if applicable (See paragraph 8)
6. Difference between (4) and (5)
7. Recorded groundwater charges, if applicable
8. Adopted groundwater charges, if applicable (See paragraph 8)
9. Difference between (7) and (8)
10. Total net MCBA balance = (3) + (6) + (9)

5. GSWC shall record the accumulated WRAM Balance monthly, by adding its entry in section A.3. to the prior accumulated month balance. GSWC will record the accumulated MCBA Balance, by adding its entry in Section B.10. to the prior month's accumulated balance. GSWC shall apply interest to the average net balance in the WRAM and MCBA accounts at a rate equal to one twelfth the interest rate on three month Commercial Paper for the previous month as reported in the Federal Reserve Statistical Release, H.15. or its successor. Accumulated interest will be included in the amount on which interest is charged, but will be identified as a separate component of the WRAM and MCBA accounts.

6. Net WRAM and net MCBA will be combined to evaluate surcharge/surcredit for all General Metered customers (customers on residential and non-residential metered tariff schedules).

7. Net MCBA will be combined to evaluate surcharge/surcredit for applicable Non-General Metered customers (customers not on residential and non-residential metered tariff schedules). (T)

8. Effective Date (T)
(T)

The WRAM/MCBA Balancing Account became effective on the effective date of Advice Letter 1301-W, which was November 24, 2008.

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<u>(To be inserted by utility)</u>	<i>Issued By</i>	<u>(To be inserted by P.U.C.)</u>
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Decision No. <u>12-04-048</u>	President	Effective <u>January 13, 2013</u>
		Resolution No. _____

Preliminary Statement
Water Revenue Adjustment Mechanism/Modified Cost
Balancing Account (WRAM/MCBA)

W. WATER REVENUE ADJUSTMENT MECHANISM/MODIFIED COST BALANCING ACCOUNT (WRAM/MCBA)

9. Disposition

A. WRAM/MCBA amortization guideline per D.12-04-048:

WRAM/MCBA Under/Over-Collection	Amortization Period	Cap
2% - 5%	12 months	A cap on total net WRAM/MCBA surcharges of 10% of the last authorized revenue requirement to be effective the first test year of GSWC's pending or next GRC, 2013 WRAM/MCBA Advice Letter filings on March 2014. WRAM/MCBA account balances incurred prior to the first test year above may continue to be amortized under applicant's proposal.
5% - 15%	18 months	
15% - 30%	19 - 36 months (10% per year as a guide with no cap)	
Over 30%	36 months	

*As a % of the district's last authorized revenue requirement

(N)

B. Recovery of under-collections will be passed through as surcharge on volumetric charges; over-collections will be passed through as surcredits on monthly service charges.

(N)

(T)

(T)

10. Maintaining Least Cost Water Mix

If there are significant changes in purchased water in a district that has multiple sources (which in turn affects the amount of purchased power and pump tax), GSWC will make a showing in the district's next GRC filing demonstrating that it has exercised due diligence in enduring the least-cost mix for its water sources, and that the significant change in water purchases was reasonable. For the purpose of the Trial Program, significant changes in water purchased are defined as when the annual volume of purchased water in a district is greater than 10% of the purchased water adopted in the most recent GRC for that district.

(Continued)

(To be inserted by utility)

Advice Letter No. 1506-W
 Decision No. 12-04-048

Issued By
F. E. WICKS
President

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

Date Filed December 13, 2012
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 Resolution No. _____

Preliminary Statement
Water Revenue Adjustment Mechanism/Modified Cost
Balancing Account (WRAM/MCBA)

W. WATER REVENUE ADJUSTMENT MECHANISM/MODIFIED COST BALANCING ACCOUNT (WRAM/MCBA)

Region 3 Monthly Detail (in Thousands)

(1)	(2)	(3)	(4)	(5)
Month	Qty Charge Revenue for WRAM	MCBA Purchased Water	Well Water*	Total Production Costs
Jan	\$5,752.77	\$907.08	\$878.91	\$1,785.99
Feb	\$5,409.13	\$788.41	\$774.21	\$1,563.62
Mar	\$5,789.32	\$968.50	\$961.85	\$1,930.35
Apr	\$6,558.27	\$1,327.79	\$998.38	\$2,326.17
May	\$8,598.61	\$1,912.40	\$1,080.31	\$2,992.71
Jun	\$9,684.93	\$2,048.70	\$1,145.45	\$3,194.15
Jul	\$10,128.91	\$2,397.21	\$1,252.41	\$3,649.62
Aug	\$10,321.70	\$2,394.34	\$1,269.91	\$3,664.25
Sep	\$9,517.99	\$2,133.48	\$1,194.36	\$3,327.84
Oct	\$7,202.59	\$1,631.81	\$1,091.14	\$2,722.95
Nov	\$5,522.33	\$1,260.77	\$948.55	\$2,209.32
Dec	\$4,495.63	\$873.94	\$815.32	\$1,689.26
12-Month Total	\$88,982.18	\$18,644.43	\$12,410.80	\$31,055.23

(C)

 (C)

*Note: Well Water includes Purchased Electricity and Pump Taxes Costs

2015 Adopted Quantities: \$88,982.18 AL 1588-W 2015 Escalation (Effective January 1, 2015)

Total Purchased Water \$18,644.43 AL 1569-WA Offset Increase (Effective June 1, 2014)
 Total Well Water \$12,410.80
 \$31,055.23

(Continued)

(To be inserted by utility)
 Advice Letter No. 1593-W
 Decision No. _____

Issued By
R. J. SPROWLS
 President

(To be inserted by P.U.C.)
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 Resolution No. _____

Preliminary Statement
Water Revenue Adjustment Mechanism/Modified Cost
Balancing Account (WRAM/MCBA)

W. WATER REVENUE ADJUSTMENT MECHANISM/MODIFIED COST BALANCING ACCOUNT (WRAM/MCBA)

Region 2 Monthly Detail (in Thousands)

(1)	(2)	(3)	(4)	(5)
Month	Qty Charge Revenue for WRAM	MCBA Purchased Water	Well Water*	Total Production Costs
Jan	\$7,297.52	\$2,269.55	\$932.74	\$3,202.29
Feb	\$6,922.47	\$1,991.02	\$861.80	\$2,852.82
Mar	\$7,371.39	\$2,320.61	\$958.07	\$3,278.68
Apr	\$7,868.48	\$2,529.38	\$949.90	\$3,479.28
May	\$8,804.20	\$2,942.65	\$996.31	\$3,938.96
Jun	\$9,239.16	\$2,991.33	\$1,022.64	\$4,013.97
Jul	\$9,258.74	\$3,248.74	\$1,066.13	\$4,314.87
Aug	\$9,421.99	\$3,295.63	\$1,058.48	\$4,354.11
Sep	\$8,939.94	\$3,020.64	\$1,022.03	\$4,042.67
Oct	\$7,702.52	\$2,729.91	\$1,001.62	\$3,731.53
Nov	\$6,842.15	\$2,309.00	\$943.89	\$3,252.89
Dec	\$6,390.41	\$2,049.00	\$937.78	\$2,986.77
12-Month Total	\$96,058.97	\$31,697.45	\$11,751.38	\$43,448.85

(C)

 (C)

*Note: Well Water includes Purchased Electricity and Pump Taxes Costs

2015 Adopted Quantities: \$96,058.97 AL 1587-W 2015 Escalation (Effective January 1, 2015)

Total Purchased Water \$31,697.45 AL 1572-WA Offset Increase (Effective July 1, 2014)
 Total Well Water \$11,751.38
 \$43,448.85

(Continued)

(To be inserted by utility)
 Advice Letter No. 1593-W
 Decision No. _____

Issued By
R. J. SPROWLS
 President

(To be inserted by P.U.C.)
 Date Filed February 23, 2015
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 Resolution No. _____

Preliminary Statement
Water Cost of Capital Adjustment Mechanism

GG. Water Cost of Capital Adjustment Mechanism

Golden State Water Company ("GSWC") requests to establish a Water Cost of Capital Adjustment Mechanism.

1. Purpose

The purpose of the Water Cost of Capital Adjustment Mechanism is to provide an automatic adjustment, up or down, to Golden State Water's adopted return on equity for 2022 (and thus its overall rate of return on rate base for 2022) for calendar years 2023 and 2024 only if there is a positive or negative difference of more than 100 basis points between the then current 12-month October 1 through September 30 average Moody's utility bond rates and a benchmark. (T)

2. Applicability

All Regions of Golden State Water Company.

3. GSWC shall maintain the Water Cost of Capital Adjustment Mechanism as follows:

a. For 2023, Golden State Water's initial benchmark is equal to the average interest rate of Moody's Aa utility bonds if it has an AA or A credit-rating or higher, or Moody's Baa utility bonds if Golden State Water has a BBB+ credit-rating or lower for the period of October 1, 2020 to September 30, 2021. The subsequent October 1 through September 30 average shall be based on the foregoing parameters. (T)

b. If the 100 basis point "deadband" (a range of change in interest rates that may occur without automatically triggering a change in return on equities) is exceeded, Golden State Water's return on equity will be adjusted by one-half of the difference between the benchmark and the October 1 to September 30 average. (T)

c. In any year where the 12-month October through September average of Moody's utility bond rates triggers an automatic return on equity adjustment, that average becomes the new benchmark. (T)

d. If the 100 basis point "deadband" is exceeded, Golden State Water will file a Tier 2 advice letter by October 15 that updates return on equity and related rate adjustments to become effective on January 1 of the following year. The advice letter would also update long-term debt and preferred stock costs to reflect actual August month-end embedded costs in that year and forecasted interest rates for variable long-term debt and new long-term debt and preferred stock scheduled to be issued. (T)

e. Golden State Water's capital structure, as adopted for base year 2022, shall not be adjusted. (T)

f. Workpapers outlining the calculations relating to the change in return on equity, long-term debt costs and preferred stock costs are required to accompany the advice letter. (T)

4. Effective Date

The WCCM shall be effective for rates implemented in 2023 after a final decision is adopted in A.21-05-001, *et seq.*, and for rates implemented in 2024, unless modified by order of the Commission. (T)

(To be inserted by utility)

Advice Letter No. 1897-W
Decision No. 23-06-025

Issued By
R. J. Sprowls
President

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

Date Filed June 30, 2023
Effective July 31, 2023
Resolution No. _____

Preliminary Statement
Omega Chemical Corporation Superfund Site Memorandum Account

MM. OMEGA CHEMICAL CORPORATION SUPERFUND SITE MEMORANDUM ACCOUNT (N)

Purpose

The purpose of the Omega Chemical Corporation Superfund Site Memorandum Account ("OCCSSMA") is to track record incremental administrative costs GSWC anticipates incurring in connection with the investigation of the Environmental Protection Agency into the groundwater contamination which begun at the Omega Chemical Corporation in Whittier, California.

The OCCSSMA shall include:

All costs working with the EPA and other public agencies on water supply quality; preparation for and attend meetings; to review and respond to board and committee memoranda, costs to attend meetings with stakeholders including California Department of Public Health, Central Basin Municipal Water District, area cities and water rights holders, local elected officials, water board members, utilities and industry; provide public testimony as needed; legal and policy research to defend and support positions to protect ratepayers; identify, analyze, and propose statutory changes to defend and support positions to protect ratepayers; attend meetings and hearings, including committee meetings, as needed; employment of experts to defend against any legislation that has a negative impact on rates; prepare and attend related Technical Work Group; review and respond to various settlement approaches; draft pleadings and other court documents; costs to prepare for and attend meetings with potential litigants, costs to conduct discovery and file motions and employment of expert witnesses.

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

- a. A debit entry shall be made to the OCCSSMA at the end of each month to record the expenses.
- 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.

The OCCSSMA shall go into effect on the effective date of Advice Letter 1413-W.

Disposition of amounts recorded in the OCCSSMA shall be determined in a regulatory proceeding authorized by the Commission.

(N)

(Continued)

<p>(To be inserted by utility)</p> <p>Advice Letter No. <u>1413-W</u></p> <p>Decision No. _____</p>	<p><i>Issued By</i></p> <p>R. J. SPROWLS</p> <p><i>President</i></p>	<p>(To be inserted by P.U.C.)</p> <p>Date Filed <u>August 26, 2010</u></p> <p>Effective <u>September 25, 2010</u></p> <p>Resolution No. _____</p>
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Preliminary Statement
Pension And Benefits Balancing Account

OO. PENSION AND BENEFITS BALANCING ACCOUNT

(N)

Golden State Water Company (GSWC) shall maintain a Pension and Benefits Balancing Account (PBBA) to track the monthly expenses difference between authorized and actual pension Costs based on Accounting Standard Codification 715-10 ("ASC 715-10"), Compensation - Retirement Benefits (formerly known as FAS 87).

1. Purpose

The purpose of the Pension and Benefits Balancing Account (PBBA) is to track the difference between:

- 1) Pension costs authorized in rates by the Commission
- 2) Pension expenses based on ASC 715-10

2. Applicability

The PBBA does not have a rate component.

The PBBA shall include:

The calculated monthly expense difference of the adopted pension costs and actual pension costs based on ASC 715-10.

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

- a. An entry shall be made to the PBBA at the end of each month to record the expenses discussed above.
- b. Interest shall accrue to the PBBA 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 PBBA shall go into effect on January 1, 2010.

4. Disposition

Disposition of amounts recorded in the PBBA shall be made in compliance with General Order 96 B.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1419-W
Decision No. D.10-11-035

Issued By
R. J. SPROWLS
President

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

Date Filed December 1, 2010
Effective January 1, 2010
Resolution No. _____

Preliminary Statement
Los Osos Groundwater Adjudication Memorandum Account

TT. LOS OSOS GROUNDWATER ADJUDICATION MEMORANDUM ACCOUNT

(N)

1. **Purpose:** The purpose of the Los Osos Groundwater Adjudication Memorandum Account ("LOAMA") is to track legal expenses related to the adjudication of the Los Osos groundwater, pursuant to the Settlement Agreement in D. 10-12-059.

The LOAMA shall include all outside services including consultants and legal associated with Legal expenses related to the Los Osos Groundwater Interlocutory Stipulated Judgment process in order to draft, negotiate, implement and defend the establishment of a Basin Management Plan - Prepare for and attend meetings and hearings including committee meetings necessary to draft and/or negotiate a Basin Management Plan (e.g., finance committee, water resources, administrative, interagency and other committees); Review and respond to board and committee memoranda; Meetings with stakeholders re: same including area cities and water rights holders, local elected officials, water board members, utilities and industry; Provide public testimony as needed; Legal and policy research to defend and support positions to protect ratepayers; Identify, analyze, and propose statutory changes to defend and support positions to protect ratepayers; attend meetings and hearings, including committee meetings, as needed; Legal research and other actions including employment of experts to defend against any legislation that has a negative impact on rates, water supply reliability or water rights affecting ratepayers; Review and preparation of legal documents; Review and preparation of technical documents; Meetings with technical staff and experts; Review and respond to various settlement approaches; Legal research to support and defend positions; Policy research to support and defend positions; Legal research re: potential litigation to protect ratepayers' long term storage costs; Identify, analyze, defend and propose statutory changes to protect long term storage benefits to ratepayers; Draft pleadings and other court documents re: same; Prepare for and attend meetings with potential litigants; Conduct discovery and file motions; Employ expert witnesses as necessary.

The legal expenses recorded in the LOAMA is capped at \$400,000 for 2011 and 2012 (\$200,000 for 2011 and \$200,000 for 2012).

2. **Applicability:** The LOAMA does not have a rate component.

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

- a. A debit entry shall be made to the LOAMA at the end of each month to record the expenses.
- 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.
3. **Effective Date:** The LOAMA shall have the effective date of January 1, 2011.
4. **Disposition:** GSWC may seek rate recovery of costs recorded in the LOAMA in its next general rate case or other formal proceeding with the California Public Utilities Commission.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1441-W
Decision No. 10-12-059

Issued By
R. J. SPROWLS
President

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

Date Filed March 30, 2011
Effective January 1, 2011
Resolution No. _____

Preliminary Statement
Santa Maria Steelhead Recovery Plan Memorandum Account

UU. SANTA MARIA STEELHEAD RECOVERY PLAN MEMORANDUM ACCOUNT

1. Purpose

The purpose of the Santa Maria Steelhead Recovery Plan Memorandum Account ("SMSRPMA") is to track legal expenses related to the Steelhead Salmon Recovery Plan, pursuant to the Settlement Agreement in D. 10-12-059.

(N)

The SMSRPMA shall include all legal costs and outside services including consultants and legal associated with Legal expenses related to the Santa Maria Steelhead Recovery Plan- Prepare for and attend meetings and hearings including committee (e.g., finance committee, water resources, administrative, interagency and other committees); Review and respond to board and committee memoranda; Meetings with stakeholders re: same including area cities and water rights holders, local elected officials, water board members, utilities and industry; Provide public testimony as needed; Legal and policy research to defend and support positions to protect ratepayers; Identify, analyze, and propose statutory changes to defend and support positions to protect ratepayers; attend meetings and hearings, including committee meetings, as needed; Legal research and other actions including employment of experts to defend against any legislation that has a negative impact on rates, water supply reliability or water rights affecting ratepayers; Review and preparation of legal documents; Review and preparation of technical documents; Meetings with technical staff and experts; Review and respond to various settlement approaches; Legal research to support and defend positions; Policy research to support and defend positions; Legal research re: potential litigation to protect ratepayers' long term storage costs; Identify, analyze, defend and propose statutory changes to protect long term storage benefits to ratepayers; Draft pleadings and other court documents re: same; Prepare for and attend meetings with potential litigants; Conduct discovery and file motions; Employ expert witnesses as necessary.

The legal expenses recorded in the SMSRPMA is capped at \$100,000 for 2011 and 2012 (\$50,000 for 2011 and \$50,000 for 2012).

2. Applicability

The SMSRPMA does not have a rate component.

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

a. A debit entry shall be made to the SMSRPMA at the end of each month to record the expenses.

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.

3. Effective Date

The SMSRPMA shall have the effective date of January 1, 2011.

4. Disposition

GSWC may seek rate recovery of costs recorded in the SMSRPMA in its next general rate case or other formal proceeding with the California Public Utilities Commission.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1442-W
Decision No. _____

Issued By
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President

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

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Effective January 1, 2011
Resolution No. _____

Preliminary Statement
Low-Income Customer Data Sharing Memorandum Account

ZZ. LOW-INCOME CUSTOMER DATA SHARING MEMORANDUM ACCOUNT

(N)

1. Purpose
Golden State Water Company (GSWC) shall maintain a Low-Income Customer Data Sharing Costs Memorandum Account (LICDSMA) to track the one-time and ongoing data sharing costs in compliance with D.11-05-020.
2. Applicability
The LICDSMA does not have a rate component and applies to all areas served by GSWC.

GSWC shall maintain the LICDSMA by making entries at the end of each month as follows:
 - a. A debit entry shall be made to the LICDSMA at the end of each month to record incremental implementation and ongoing data sharing costs.
 - b. The LICDSMA shall 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 LICDSMA shall have an effective date of July 1, 2011.
4. Disposition
GSWC shall seek recovery of amounts recorded in the LICDSMA in its next general rate case or by a tier 3 advice letter filing.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1471-W
Decision No. 11-05-020

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R. J. SPROWLS
President

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

Date Filed January 16, 2012
Effective July 1, 2011
Resolution No. _____

Preliminary Statement
Catastrophic Event Memorandum Account

HHH. CATASTROPHIC EVENT MEMORANDUM ACCOUNT (CEMA)

PURPOSE

The purpose of the CEMA is to record all costs incurred by the Golden State Water Company ("GSWC") associated with a Catastrophic Event for:

- (1) restoring utility service to the utility customers;
- (2) repairing, replacing, or restoring damaged utility facilities;
- (3) complying with governmental agency orders; and
- (4) emergency customer protection activities. (N)

A Catastrophic Event is an event which is declared a disaster by competent state or federal authorities, such as the Governor of California or the President of the United States. (N)

If a Catastrophic Event occurs, GSWC shall, if possible, inform the Executive Director by letter within 30 days after the Catastrophic Event, if GSWC has started booking costs into the CEMA. Copies of the letter shall be mailed to the Director of the Commission Advisory and Compliance Division and the Commission Advisory and Compliance Division branch chief for that industry. The letter shall specify the Catastrophic Event, date, time, location, service areas affected, impact on GSWC's facilities, and an estimate of the extraordinary costs expected to be incurred. Costs due to expense and capital items shall be shown separately.

GSWC shall not record any capital costs or expenses incurred prior to the start of the declared disaster or state of emergency, as identified by the appropriate authorities.

APPLICABILITY

The CEMA does not have a rate component.

Entries in the account will be segregated by qualifying event. Costs for emergency customer protection activities should be recovered across GSWC's entire customer base. (N)
(N)

ACCOUNTING PROCEDURE

Entries to the CEMA shall be made at the end of each month commencing with the month in which the Catastrophic Event occurs.

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

- a. A debit entry shall be made to the CEMA at the end of each month to record the expenses discussed above.
- b. Interest shall accrue to the CEMA 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.

DISPOSITION

Costs recorded in the CEMA may be recovered in rates only after a request by GSWC, a showing of reasonableness, and approval by the Commission. Such a request may be made by a formal application specifically for that purpose, by inclusion in a subsequent general rate case, or other rate setting request, as detailed on G.O. 96-B and Standard Practices.

(Continued)

<u>(To be inserted by utility)</u>	<i>Issued By</i>	<u>(To be inserted by P.U.C.)</u>
Advice Letter No. <u>1790-WA</u>	R. J. Sprowls	Date Filed <u>September 18, 2019</u>
Decision No. <u>19-07-015</u>	President	Effective <u>September 9, 2019</u>
		Resolution No. _____

Preliminary Statement
American Recovery And Reinvestment Act Balancing Account

JJJ. **AMERICAN RECOVERY AND REINVESTMENT ACT BALANCING ACCOUNT** (N)
(ARRABA)

1. **Purpose**

The purpose of the ARRABA is to 1.) track revenues collected through the American Recovery and Reinvestment Act of 2009 ("ARRA") surcharge in GSWC's Arden Cordova District and 2.) track payments of principal, interest, and any fiscal agent or loan-related fees associated with the repayment of a \$4.3 million loan, pursuant to an agreement between GSWC and the California Department of Public Health Services ("CDPHS") under the Safe Drinking Water State Revolving Fund Law of 1997 ("SDWSRF") and the ARRA.

The Commission authorized GSWC to institute a 20-year surcharge in the Arden Cordova District to repay \$4.3 million of a \$8.6 million dollar loan under the Safe Drinking Water State Revolving Fund Law of 1997 and the American Recovery and Reinvestment Act of 2009. GSWC filed Advice Letter 1510-WA, effective March 3, 2013, to implement the ARRA surcharge in its Arden Cordova District. The proceeds were used to further GSWC's ongoing project for installing meters and retrofitting flat rate customers in GSWC's Cordova System. The meter installation and connection retrofitting project is in compliance with California Water Code section 527 §(a)(1), which requires the installation of meters on certain types of connections before 2025.

The ARRABA will remain open until the loan and related costs have been fully repaid and/or recovered.

2. **Applicability**

GSWC shall maintain the ARRABA by making entries as follows:

- a. A credit entry shall be made to the ARRABA at the end of each month to record revenues collected through the ARRA surcharge and any interest earned on deposits.
- b. A debit entry shall be made to the ARRABA at the end of each month to record payments of principal, interest and any fiscal agent or loan-related fees.
- c. The ARRABA 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 ARRABA shall have an effective date of March 3, 2013, to coincide with the effective date of the ARRA surcharge implementation.

4. **Disposition**

The ARRA surcharge will remain in place until the loan and related costs have been fully repaid.

(Continued)

(To be inserted by utility)

Advice Letter No. 1570-W
Decision No. _____

Issued By
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President

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

Date Filed June 12, 2014
Effective March 3, 2014
Resolution No. W-4810

Preliminary Statement
Los Osos Basin Management Committee Memorandum Account

MMM. LOS OSOS BASIN MANAGEMENT COMMITTEE MEMORANDUM ACCOUNT

(N)

1. Purpose

The purpose of the LOBMCMA is to record the expenses GSWC incurs as a member of the Basin Management Committee (BMC), which was formed in accordance with the October 14, 2015 Stipulated Judgment in the San Luis Obispo County Superior Court, Case No. CV 040126 ("Stipulated Judgment"). The BMC's purpose is to implement the Stipulated Judgment and the Basin Plan for the Los Osos Groundwater Basin ("Basin Plan"), and to engage in such other activities as may be necessary or appropriate to ensure their successful implementation, once a designated source(s) of funding has been established in accordance with all constitutional and statutory requirements, including Article 13 of the California Constitution.

The BMC expects to incur costs for, but not limited to, the following types of activities:

- *Basin Management Committee general administration;*
- *Funding for the Zone of Benefit formation process, including required consultant services;*
- *Consultant services for the preparation of the first Annual Report, including set up costs associated with the first Annual Report;*
- *Consultant services to assist in the pursuit of grants;*
- *Funding for jointly pursued water conservation efforts.*

The BMC's costs that are not funded elsewhere (see Section 2. BMC Funding Plan, below) will be shared by the following parties based on their respective allocation percentages:

The County of San Luis Obispo (County): 20%
Los Osos Community Services District (LOSCD): 38%
Golden State Water Company (GSWC): 38%
S & T Mutual Water Company (S&T): 4%

To avoid duplication of recovery of BMC-related costs, GSWC will not record any costs in the LOBMCMA that are already in rates or captured in another memorandum or balancing account authorized by the California Public Utilities Commission.

2. BMC Funding Plan

Although not guaranteed, the BMC anticipates that the County of San Luis Obispo Flood Control and Water District will establish funding through a special tax or assessment within an established Zone of Benefit. This special tax or assessment will require voter approval and it is not certain when a proposal will be submitted for voter approval and/or if it will pass. Additionally, the Stipulated Judgment grants the BMC authority to take all acts as are necessary to develop a plan and arrange for funding for its activities, execution of the Stipulated Judgment and oversight of the Basin Management Plan. The BMC has an option to establish an alternate funding mechanism, providing that funding plan relies on independent sources of revenue sponsored by the BMC and does not require contribution from the general fund of any of the BMC member organizations. To the extent additional funding is obtained (e.g., from grants, special tax, or assessment) and the BMC provides to GSWC billing credits or reimbursements, GSWC will reduce the costs recorded in this memorandum account accordingly.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1655-W
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President

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

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Effective April 12, 2016
Resolution No. _____

Preliminary Statement
Los Osos Basin Management Committee Memorandum Account

MMM. LOS OSOS BASIN MANAGEMENT COMMITTEE MEMORANDUM ACCOUNT

(N)

3. **Applicability**

The LOBMCMA does not have a rate component.

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

- a. A debit entry shall be made to the LOBMCMA at the end of each month to record GSWC's payment of its share of costs as invoiced by the BMC.
- b. If the BMC receives funding for any or all of its activities and provides to GSWC billing credits or reimbursements, GSWC will make a credit entry to the LOBMCMA at the end of each month to record GSWC's receipt of its share of the billing credits provided by the BMC.
- c. Interest shall accrue to the LOBMCMA 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. **Effective Date**

The LOBMCMA shall have an effective date of April 12, 2016.

5. **Disposition**

Disposition of amounts recorded in the LOBMCMA shall be determined in GSWC's next General Rate Case application. Recorded costs/credits and the continuation of the LOBMCMA will also be subject to review in GSWC's next General Rate Case application to ensure no duplication of activities and cost recovery by GSWC.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1655-W
Decision No. _____

Issued By
R. J. SPROWLS
President

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

Date Filed April 12, 2016
Effective April 12, 2016
Resolution No. _____

Preliminary Statement
Basin Pumping Rights Litigation Memorandum Account

NNN. BASIN PUMPING RIGHTS LITIGATION MEMORANDUM ACCOUNT

(N)

Golden State Water Company ("GSWC") shall maintain an OC Basin Pumping Rights Litigation Memorandum Account ("OCBRLMA") to track the costs associated with GSWC's efforts to protect its water rights in the Orange County Groundwater Basin from injury due to the lawsuit filed by Irvine Ranch Water District ("IRWD") on June 17, 2016 against the Orange County Water District ("OCWD").

1. Purpose

The purpose of the OCBRLMA is to track ongoing costs of monitoring and opposing the Proposed changes to OCWD authorizing act, policies and application of those policies, including litigation expenses to protect GSWC's water rights in the Orange County Groundwater Basin.

2. Applicability

The OCBRLMA does not have a rate component.

The OCBRLMA shall include:

All expenses incurred such as: monitoring and responding to legal activities by IRWD against OCWD and other surrounding water agencies, appearances before OCWD and other agencies, legislative advocacy, and administrative and court action costs.

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

- a. A debit entry shall be made to the OCBRLMA at the end of each month to record the revenue shortfall.
- 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.

3. Effective Date

The OCBRLMA shall have an effective date of September 29, 2016.

4. Disposition

Disposition of amounts recorded in the OCBRLMA shall be determined in a subsequent regulatory proceeding, as authorized by the California Public Utilities Commission

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1667-W
Decision No. _____

Issued By
R. J. SPROWLS
President

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

Date Filed September 29, 2016
Effective September 29, 2016
Resolution No. _____

Preliminary Statement
General Ratemaking Area Balancing Account

III. GENERAL RATEMAKING AREA BALANCING ACCOUNT ("GRABA")

PURPOSE

The purpose of the General Ratemaking Area Balancing Account ("GRABA") is to aggregate small residual dollar amounts from expired authorized amortizations and other authorized dollar amounts (e.g. intervenor compensation awards, conservation related drought emergency surcharges or fees) for subsequent amortization at the ratemaking area level. (T)

Note: A small residual balance would encompass any balance less than 2% of gross adopted revenues by ratemaking area.

APPLICABILITY

The GRABA does not have a rate component. Each ratemaking area will have a GRABA.

ACCOUNTING PROCEDURE

Entries to the GRABA shall be made as a result of the termination of an authorized amortization that has a small residual balance and should be accompanied by a Tier 1 advice letter filing requesting approval of the rollover of the small residual balance to the GRABA and closure of the originating Balancing/Memorandum Account Preliminary Statement.

GSWC shall maintain the GRABA by making entries as follows:

- a. A debit or credit entry shall be made to the GRABA to record the authorized intervenor compensation awards, conservation related drought emergency surcharges or fees or the small residual balance due to the termination of a previously authorized balancing/memorandum account amortization. (T)
- b. Interest shall accrue to the GRABA 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.

***Note:** If a particular BAMA has been authorized an alternative interest rate other than the 3-month Commercial Paper Rate, GSWC will continue to use the alternative interest rate while the account is being tracked in the GRABA.

EFFECTIVE DATE

The GRABA shall retain the original effective date of January 1, 2019. (T)

DISPOSITION

GSWC will amortize balances recorded in the GRABA in a Tier 2 advice letter filing, if the accumulated balance exceeds 2% of gross adopted revenues for a particular ratemaking area, in accordance with General Order 96-B and standard practices or by request in its next general rate case.

(Continued)

(To be inserted by utility)

Advice Letter No. 1963-W
Decision No. _____

Issued By
R. J. Sprowls
President

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

Date Filed May 20, 2025
Effective March 1, 2025
Resolution No. _____

Preliminary Statement
San Luis Obispo Valley Groundwater Basin Memorandum Account

JJJJ. San Luis Obispo Valley Groundwater Basin Memorandum Account (SLOVGBMA)

(N)

Golden State Water Company (GSWC) request to establish the San Luis Obispo Valley Groundwater Basin Memorandum Account (SLOVGBMA).

1. **PURPOSE**

The purpose of the SLOVGBMA is to record the expenses GSWC incurs related to the implementation of the Sustainable Groundwater Management Act (SGMA) in the San Luis Obispo Groundwater Basin. This will include expenses incurred as a member of the City of San Luis Obispo and the County of San Luis Obispo's Groundwater Sustainability Commission (GSC). The GSC's purpose is to develop a single Groundwater Sustainability Plan as required under SGMA for the groundwater basin and to engage in such other activities as may be necessary or appropriate to ensure successful SGMA implementation.

Expected SGMA related expenses include, but not limited to the following types of activities:

- Groundwater Sustainability Commission (GSC) general administration;
- Consultant services for the preparation of the GSP;
- Legal Support;
- Stakeholder outreach;
- Shared implementation expenses

2. **APPLICABILITY**

The SLOVGBMA does not have a rate component.

- a. A debit entry shall be made to the SLOVGBMA at the end of each month to Record GSWC's allowable expenses as a Participating Party in the MOA and costs associated with being a member of the Groundwater Sustainability Commission.
- b. Interest shall accrue to the SLOVGBMA 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 SLOVGBMA shall have an effective date of January 1, 2018.

4. **DISPOSITION**

Disposition of amounts recorded in the SLOVGBMA shall be determined in GSWC's next General Rate Case application or by advice letter, if the account's cumulative balance exceeds 2% of GSWC's adopted gross revenues in any given year.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1774-W
Decision No. 19-05-044

Issued By
R. J. Sprowls
President

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

Date Filed June 3, 2019
Effective June 8, 2019
Resolution No. _____

Preliminary Statement
Public Safety Power Shut-offs
Memorandum Account

KKKK. Public Safety Power Shut-Offs Memorandum Account (PSPSMA)

(N)

1. **PURPOSE**

The purpose of the PSPSMA is to record the incremental Operation and Maintenance (O&M) expenses and carrying costs of the new facilities costs, that are not otherwise covered in GSWC's revenue requirement, to address public safety needs in the event of a proposed or declared Public Safety Power Shut-off (PSPS) event by any of the electric utilities that provide electric service to GSWC's ratemaking areas, including advanced preparation costs.

2. **APPLICABILITY**

Incremental O&M costs GSWC expect to incur include, but are not limited to the following:

- Purchased fuel for generators;
- Service contracts for generator maintenance, inspection and repair

Incremental plant investment GSWC expects to make include, but are not limited to the following:

- Generator costs;
- Automatic transfer switch costs;
- SCADA integration costs (i.e. programming to incorporate generator into SCADA system for remote monitoring and data acquisition);
- Equipment installation costs;
- Generator site preparation costs (i.e. cabling, hook ups, electrical box panel switches, and ancillary equipment to properly operate generators);
- Engineering and design costs;
- Project Management costs;
- Permitting costs

The PSPSMA shall only be used to track costs associated with potential and declared Public Safety Power Shut-off events. Costs that are duplicative or requested in a general rate case shall not be recorded.

3. **ACCOUNTING PROCEDURE**

The PSPSMA does not have a rate component.

Expenditure Entries

- a. A debit entry shall be made to the PSPSMA to record all PSPS-related costs including but not limited to, purchased fuel for generators and service contracts.

Revenue Requirement Entries

- b. Amounts equal to the revenue requirement of each capital expenditure at GSWC's authorized rate of return and related expenses (including return, income taxes, ad valorem tax, depreciation, and other taxes and fees)

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1781-WA
Decision No. _____

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R. J. Sprowls
President

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

Date Filed November 20, 2019
Effective August 22, 2019
Resolution No. _____

Preliminary Statement
Public Safety Power Shut-Offs
Memorandum Account

KKKK. Public Safety Power Shut-Offs Memorandum Account (PSPSMA)

(N)

3. ACCOUNTING PROCEDURE

The PSPSMA does not have a rate component.

Interest

- c. Interest shall accrue on the PSPSMA 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. EFFECTIVE DATE

The PSPSMA shall have the effective date of August 22, 2019.

5. DISPOSITION

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

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1781-WA
Decision No. _____

Issued By
R. J. Sprowls
President

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

Date Filed November 20, 2019
Effective August 22, 2019
Resolution No. _____

Preliminary Statement
Polyfluoroalkyl Substances
Memorandum Account

LLLL. Polyfluoroalkyl Substances Memorandum Account (PFASMA)

(N)

1. **Purpose**

The purpose of the PFASMA is to record incremental expenses that are not otherwise covered in GSWC's revenue requirement, to comply with the regulatory standards set by the State Water Control Board, to detect, monitor and report per-and polyfluoroalkyl substances (PFAS) in drinking water.

2. **Applicability**

GSWC expects to incur costs related to, but not limited to, the following:

- Laboratory testing and monitoring - due to the specialized nature of the analyses (new and developing methods, low detection limits and sensitivity for sample contamination) the cost for each analysis is much greater than routine monitoring tests.
- Customer/public notifications
- Chemical and operating costs for treatment
- Special studies related to treatment options

3. **Accounting Procedure**

The PFASMA does not have a rate component.

- a. A debit entry shall be made to the PFASMA to record all related costs including, but not limited to, laboratory testing/monitoring, customer/public notifications, chemical costs and special treatment studies.
- b. Interest shall accrue to the PFASMA 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 end-of balances.

4. **Effective Date**

The PFASMA shall have the effective date of October 31, 2019.

5. **Disposition**

Disposition of amounts recorded in the PFASMA 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. 1795-WB
Decision No. _____

Issued By
R. J. Sprowls
President

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

Date Filed August 19, 2020
Effective October 31, 2019
Resolution No. W-5226

Preliminary Statements
Sutter Pointe General Rate Case Memorandum Account

PPPP. SUTTER POINTE GENERAL RATE CASE MEMORANDUM ACCOUNT (SPGRCMA) (N)

1. **Purpose**

The purpose of the SPGRCMA is to track the costs associated with preparing, filing, processing and litigating its initial detailed stand-alone General Rate Case (GRC) for Sutter Pointe.

2. **Applicability**

The SPGRCMA does not have a rate component.

The costs anticipated to be incurred include, but are not limited to, legal costs, consulting costs and noticing costs.

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

- a. A debit entry shall be made to the SPGRCMA at the end of each month to record the expenses discussed above.
- b. Interest shall accrue to the SPGRCMA 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 effective date of the SPGRCMA shall be the filing date of Advice Letter No. 1867-W.

4. **Disposition**

Disposition of amounts recorded in the SPGRCMA 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. 1867-W
Decision No. _____

Issued By
R. J. Sprowls
President

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

Date Filed December 6, 2021
Effective December 6, 2021
Resolution No. _____

Preliminary Statement

RRRR. 2022 INTERIM RATES MEMORANDUM ACCOUNT

(N)

1. Purpose

The 2022 Interim Rates Memorandum Account ("2022IRMA") will track the revenue differential between interim rates and the final rates, subject to refund, adopted in GSWC's General Rate Case (GRC), Application No. 20-07-012. The 2022IRMA is established pursuant to Administrative Law Judge Charles Ferguson's December 15, 2021 Ruling addressing GSWC's Motion for Interim Rates.

On January 1, 2022, the first test year of the GRC, this tariff shall activate interim rates in all rate-making areas. The interim rates will be the current rates (in effect at the end of December 2021) carried over into 2022.

2. Applicability

The 2022IRMA does not have a rate component.

The 2022IRMA shall include:

The monthly revenue differential between interim rates and final rates adopted in A.20-07-012, beginning on January 1, 2022 in all GSWC ratemaking areas.

GSWC shall maintain the 2022IRMA by making entries at the end of each month as follows:

- a. A debit /credit entry shall be made to the 2022IRMA at the end of each month to record the revenue differential discussed above.
- b. Interest shall accrue to the 2022IRMA 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 2022IRMA shall go into effect on January 1, 2022.

4. Disposition

Disposition of amounts recorded in the 2022IRMA shall be determined in a subsequent Regulatory proceeding, as authorized by the Commission.

(N)

(To be inserted by utility)

Advice Letter No. 1869-W
Decision No. _____

Issued By
R. J. Sprows
President

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

Date Filed December 15, 2021
Effective January 1, 2022
Resolution No. _____

Preliminary Statement
Lead And Copper Rule Revisions Memorandum Account

SSSS. Lead And Copper Rule Revisions Memorandum Account (LCRRMA)

(N)

1. Purpose

The purpose of the LCRRMA is to track and recover any incremental expenses and carrying costs on capital investments incurred by Golden State Water Company (GSWC) that are required to comply with the United States Environmental Protection Agency's (EPA) Lead and Copper Rule Revisions (LCRR) that are not otherwise covered in GSWC's authorized rates.

2. Applicability

GSWC expects to incur expenses related to the initial comprehensive study of service line materials that include incremental operations and maintenance (O&M) costs, and carrying costs on capital investments that may be required. Costs may include but are not limited to the following:

- Development of service line material inventories for each of GSWC's water systems;
- Preparation of Lead Service Line Replacement (LSLR) Plans for each system;
- Replacement of service lines (if necessary);
- Preparation of a Standard Operating Procedure (SOP) for the development and ongoing maintenance of the customer service line inventories;
- Development of sampling plans for lead and copper compliance monitoring at the taps of customers, daycares and schools for each system;
- Development of school and child care facility inventories for all GSWC's systems, and preparation for and the cost of sampling in these facilities; and
- Preparation of messaging for public education and customer notifications.

3. Accounting Procedure

The LCRRMA does not have a rate component.

- a. A debit entry shall be made to the LCRRMA to record all related costs including, but not limited to, developing of service line material inventories, lead and copper sampling plans/ monitoring at the taps of private customers, daycares and schools/preparation of lead Service Line Replacement plans/public messaging, education and customer notifications.
- b. Interest shall accrue to the LCRRMA 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 end-of balances.
- c. A debit entry equal to the revenue of each capital expenditure at GSWC's authorized rate of return and related expenses (including return, income taxes, ad valorem tax, depreciation, and other taxes and fees).
- d. A credit entry to transfer all or portion of the balance in the LCRRMA to other adjustment clauses for future rate recovery, as may be approved by the CPUC.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1894-WA
Decision No. _____

Issued By
R. J. Sprowls
President

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

Date Filed April 10, 2023
Effective March 1, 2023
Resolution No. _____

Preliminary Statement
Lead And Copper Rule Revisions Memorandum Account

SSSS. Lead And Copper Rule Revisions Memorandum Account (LCRRMA)

(N)

4. Effective Date

The LCRRMA shall go into effect on the filing date of Advice Letter No. 1894-WA. The LCRRMA will remain open until one year after the completion of the LCRR.

5. Disposition

Disposition of amounts recorded in the LCRRMA shall be determined in GSWC's next General Rate Case.

(N)

(To be inserted by utility)

Advice Letter No. 1894-WA
Decision No. _____

Issued By
R. J. Sprows
President

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

Date Filed April 10, 2023
Effective March 1, 2023
Resolution No. _____

Preliminary Statement
Crescent Bay Unanticipated Repair Cost Memorandum Account

TTTT. CRESCENT BAY UNANTICIPATED REPAIR COST MEMORANDUM ACCOUNT

(N)

PURPOSE: The purpose of the Crescent Bay Unanticipated Repair Costs Memorandum Account ("URCMA") is to track unexpected expenses in the Crescent Bay Water System that are not already in rates.

General Information. Upon acquisition of the Crescent Bay Water System, an Inadequately Operated and Maintained Small Water Utility, GSWC shall record in the URCMA expenses to repair any failed facilities detrimental to the safe operations and delivery of potable water to the customers served by the Crescent Bay Water System. The repairs shall be deemed crucial to the operation of the water system, including but not limited to, failed water pumps and leak repairs.

Note: No construction expenditures will be recorded in the URCMA.

1. Accounting Procedure

The URCMA does not have a rate component.

Expenditure Entries

a. A monthly debit entry shall be made to the URCMA to record expenses, which are not already in rates, that are detrimental to the safe operations and delivery of potable water to the customers served by the Crescent Bay Water System.

Interest

b. Interest shall accrue on the URCMA on monthly, 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.

2. Effective Date

The URCMA shall have the effective date of July 14, 2023.

3. Disposition of URCMA Balance

Disposition of amounts recorded in the URCMA shall be determined in GSWC's next General Rate Case application or by 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. 1905-W
Decision No. _____

Issued By
R. J. Sprowls
President

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

Date Filed July 14, 2023
Effective July 14, 2023
Resolution No. W-5264

Preliminary Statement
Drinking Water Fees Balancing Account

UUUU. Drinking Water Fees Balancing Account

(N)

1. Purpose

The purpose of the Drinking Water Fees Balancing Account (DWFBA) is to track the difference between all actual fees charged by the State Water Resources Control Board (Water Board) that vary from the adopted fees in authorized rates.

2. Applicability

This is applicable to all ratemaking areas.

3. Accounting Procedures

Golden State Water Company ("GSWC") shall maintain the DWFBA by making entries at the end of each month as follows:

- a. A debit or credit entry shall be made to the DWFBA at the end of each month to record the difference between actual drinking water fees and adopted drinking water fees.
- b. Interest shall accrue to the DWFBA 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.

4. Effective Date

The DWFBA shall go into effect on the effective date indicated in Advice Letter 1868-W, which is December 7, 2021.

5. Disposition

Disposition of amounts recorded in the DWFBA 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. The recovery of over/under collections will be passed on to the customers through volumetric surcharges or flat rate surcredits.

(N)

(To be inserted by utility)

Advice Letter No. 1912-WA
Decision No. _____

Issued By
R. J. Sprowls
President

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

Date Filed December 14, 2023
Effective December 7, 2021
Resolution No. _____

Preliminary Statement
Internal Revenue Service Private Letter Ruling Memorandum Account

VVVV. Internal Revenue Service Private Letter Ruling Memorandum Account

(N)

1. Purpose

The purpose of the Internal Revenue Service Private Letter Ruling Memorandum Account (IRSPLRMA), pursuant to the Settlement Agreement adopted in D. 23-06-024, is to track the difference in the revenue requirement between the Rate Case Plan Method (RCP Method) and the Golden State Water Company's Revised Method (Revised Method) to determine rate base in 2024, for possible disposition upon the Internal Revenue Service's issuance of a Private Letter Ruling (PLR). The IRSPLRMA will track the revenue requirement during 2024 only.

If the IRS concludes in their PLR that the RCP Method does result in a normalization violation, then Golden State will recalculate its 2024 rate base and implement revised water rates. No additional entries, with the exception of interest, will be recorded in the IRSPLRMA subsequent to the implementation of the revised water rates. If the IRS concludes that the RCP Method does not result in a normalization violation, then Golden State will not need to utilize the IRSPLRMA and there will be no need to adjust the 2024 rate base and water rates, and Golden State will request to close the IRSPLRMA.

2. Applicability

Golden State shall maintain the IRSPLRMA by making entries as follows:

- a. An entry credit or debit shall be made as appropriate to the IRSPLRMA to track revenues in 2024 until the IRS issues a PLR for 2024. No entries, with the exception of interest, will be recorded in the IRSPLRMA subsequent to the implementation of the revised water rates, if required.
- b. The IRSPLRMA will accrue interest 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.

3. Effective Date

The IRSPLRMA shall go into effect on the effective date of Advice Letter 1934-W.

The IRSPLRMA shall expire on December 31, 2024.

4. Disposition

Disposition of amounts recorded in the IRSPLRMA 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. The recovery of over/under collections will be passed on to the customers through volumetric surcharges or flat rate surcredits.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1934-W
Decision No. 23-06-024

Issued By
R. J. Sprowls
President

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

Date Filed December 19, 2023
Effective January 1, 2024
Resolution No. _____

Preliminary Statements
Conservation Regulation Memorandum Account

WWWW. Conservation Regulation Memorandum Account

(N)

1. Purpose

The purpose of the Conservation Regulation Memorandum Account (CORMA) is to record any incremental costs that are required to comply with the "Making Conservation a California Way of Life" Regulation of the State Water Resources Control Board that are not in rates or otherwise tracked in another memorandum or balancing account, such as the 2021 Water Conservation Memorandum Account.

2. Applicability

The CORMA does not have a rate component and is applicable to all of Golden State Water Company's regulated ratemaking areas.

3. Accounting Procedures

Golden State shall maintain the CORMA by recording costs it will incur, that include, but are not limited to the following:

- a. A monthly debit or credit entry to record the difference between the conservation expenses authorized in rates and conservation expenses required to comply with the Making Conservation a California Way of Life Regulation;
- b. The carrying costs on any incremental plant investments related to developing and staffing for the expansion of cost-effective programs;
- c. Cost of educating customers on the value of modifying their behavior and complying with any other requirements that may result from the final regulation, that are not being recorded in any other memorandum account or balancing account, such as the 2021 Water Conservation Memorandum Account.
- d. The CORMA will accrue interest 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.

4. Effective Date

The CORMA shall go into effect on the filing date of Advice Letter 1947-W.

5. Disposition

Disposition of amounts recorded in the CORMA shall be determined in Golden State's next General Rate Case application, or as otherwise determined by the Commission if the account's cumulative balance exceeds 2% of Golden State's adopted gross revenues. The recovery of over/under collections will be passed on to the customers through volumetric surcharges or flat rate surcredits.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1947-W
Decision No. _____

Issued By
R. J. Sprowls
President

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

Date Filed August 5, 2024
Effective August 5, 2024
Resolution No. _____

Preliminary Statement

XXXX. 2025 INTERIM RATES MEMORANDUM ACCOUNT

(N)

1. **Purpose**

The 2025 Interim Rates Memorandum Account ("2025IRMA") will track the revenue differential between interim rates and the final rates, subject to refund, adopted in GSWC's General Rate Case ("GRC"), Application No. 23-08-010. The 2025IRMA is established pursuant to Administrative Law Judge Amin Nojan's December 26, 2024 Ruling addressing GSWC's Motion for Interim Rates, submitted on July 16, 2024.

On January 1, 2025, the first test year of the GRC, this tariff shall activate interim rates in all ratemaking areas. The interim rates will be the current rates (in effect at the end of December 2024) carried over into 2025.

2. **Applicability**

The 2025IRMA does not have a rate component.

The 2025IRMA shall include:

The monthly revenue differential between interim rates and final rates adopted in A.23-08-010, beginning on January 1, 2025 in all GSWC ratemaking areas.

GSWC shall maintain the 2025IRMA by making entries at the end of each month as follows:

- a. A debit /credit entry shall be made to the 2025IRMA at the end of each month to record the revenue differential discussed above.
- b. Interest shall accrue to the 2025IRMA 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.

3. **Effective Date**

The 2025IRMA shall go into effect on January 1, 2025.

4. **Disposition**

Disposition of amounts recorded in the 2025IRMA shall be determined in a subsequent Regulatory proceeding, as authorized by the Commission.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1952-W
Decision No. _____

Issued By
R. J. Sprowls
President

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

Date Filed December 26, 2024
Effective January 1, 2025
Resolution No. _____

2023 General Rate Case Capital Memorandum Account
Preliminary Statement

YYYY. 2023 GRC Capital Memorandum Account

(N)

1. Purpose

The purpose of the 2023 GRC Capital Memorandum Account (2023GRCCAPMA) is to record and recover (i) accrued Interest During Construction (IDC) at the adopted Cost of Debt until the applicable capital projects are placed in service, and (ii) the full rate of return and all applicable components of the revenue requirement after the assets are placed in service, which will include the Allowance for Funds Used During Construction (AFUDC) at the full adopted rate of return and, among other things, other capital related expenses (e.g., property taxes, federal and state income taxes and depreciation, etc.). This is applicable to the capital projects, for investments made after December 31, 2022, as authorized by the Commission in Decision No. 25-01-036 in Application No. 23-08-010.

2. Applicability

GSWC shall maintain the 2023GRCCAPMA by making entries at the end of each month as follows:

- a. A debit entry equal to GSWC's incremental capital-related costs incurred for the capital project.

Capital-related costs include (i) accrued IDC at the adopted cost of debt during the construction period, and (ii) AFUDC at the full adopted rate of return and other applicable components of the revenue requirement including capital related expenses (property taxes, federal and state income taxes and depreciation, etc.) after the project is in service.

- b. Interest shall accrue to the 2023GRCCAPMA 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.

3. Effective Date

The 2023GRCCAPMA shall have an effective date of January 1, 2023.

4. Disposition

At the time GSWC files its attrition year filings for Years 2026 and 2027, the completed assets and the associated amounts in the 2023GRCCAPMA will be added to the adopted rate base for that respective year.

(N)

(Continued)

(To be inserted by utility)

Advice Letter No. 1957-W
Decision No. 25-01-036

Issued By
R. J. Sprowls
President

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

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