

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. _____