

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

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(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
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Resolution No. _____