

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.

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(Continued)

(To be inserted by utility)

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Issued By
R. J. SPROWLS
President

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

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