

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)

(Continued)

(To be inserted by utility)

Advice Letter No. 1852-W
Decision No. 20-08-047

Issued By
R. J. Sprowls
President

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

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