

Decision 98-12-070 December 17, 1998

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southern California Water Company for
authority to increase rates by \$661,700 or 34.51%
in 1999; by \$249,000 or 9.71% in 2000; and by
\$258,000 or 9.19% in 2001 in Desert District.

Application 98-03-029
(Filed March 18, 1998)

And Related Matters.

Application 98-03-030
Application 98-03-031
Application 98-03-032
Application 98-03-033
Application 98-03-034
(Filed March 18, 1998)

Susan L. Conway and Patricia A. Schmiede,
Attorney at Law, for Southern California
Water Company, applicant.
Bruce E. Cash, United Strategies, Inc., for
Morongo Valley Chamber of Commerce
Citizens for Affordable Water Committee, protestant.
R. Donald McCrea and Peter G. Fairchild,
Attorney at Law, for Ratepayer Representation
Branch, Water Division, protestant.

O P I N I O N

1. Summary

Based on a stipulation reached between Southern California Water Company (SCWC) and ratepayer advocates on all issues except rate of return, and based upon our conclusions with respect to rate of return, this decision authorizes the following increases in base rates for water service in six SCWC districts:

District	1999		2000	
	Amount (000)	Percent	Amount (000)	Percent
Desert	\$ 416.8	21.75%	\$ 116.2	5.01%
Ojai	\$ 392.7	20.96%*	\$ 13.1	0.56%
San Dimas	\$1,043.4	9.19%	\$ 298.9	2.40%
San Gabriel	\$ 965.7	20.66%	\$ 162.4	2.90%
Orange	\$ 2,564.1	13.46%	\$ 801.8	3.70%
Metropolitan	\$ 9,758.6	16.94%	\$ 2,798.2	4.17%

These increases are based on a rate of return on rate base of 9.03% in 1999; 9.00% in the year 2000, and 8.97% in the year 2001, with a corresponding rate of return on common equity of 10.0% for all three years. (However, for the reasons set forth in this decision, return on equity for the company's Ojai District is reduced to 9.0% for a one-year period to encourage SCWC to improve water quality in that district.)

SCWC also is authorized a rate increase for the year 2001 to account for attrition. These increases are \$114,600 (4.70%) for the Desert District; \$15,000

*This rate will be revised downward. See Ordering Paragraph 3.

(0.63%) for the Ojai District; \$298,700 (2.34%) for the San Dimas District; \$184,900 (3.21%) for the San Gabriel District; \$633,100 (2.82%) for Orange District, and \$2,799,100 (4.01%) for the Metropolitan District.

For the household with average water use, these adjustments next year will mean an increase in the monthly water bill of about \$9.63 in the Desert District; \$9.67 in Ojai District; \$4.22 in San Dimas District; \$5.77 in San Gabriel District; \$4.14 in Orange District, and \$6.55 in the Metropolitan District.

The company's request for a small additional increase in its other 10 water districts for general office expense was adopted as part of the settlement agreement, but this increase has been postponed pending further review by our staff and by the industry. The company also has announced that increases in the Desert District may be postponed pending an application to consolidate smaller districts for ratemaking purposes.

2. Background

SCWC is the second largest investor-owned water company in California, providing water to 242,000 accounts in 16 districts and supplying electric service to 21,000 accounts in the area of Big Bear Lake. Like other Class A water companies, SCWC files a general rate case each year seeking rate adjustments for the following three years for a number of its water districts. In this consolidated proceeding, the company on March 18, 1998, filed applications to increase rates in its Desert, Ojai, San Dimas, San Gabriel, Orange and Metropolitan districts for the years 1999, 2000 and 2001, as well as to increase rates in its remaining districts to reflect general office allocations. (Exhibits 3-11.)

The Ratepayer Representation Branch (Branch) of the Commission's Water Division on July 10, 1998, served its reports analyzing the company's requests for increased rates, recommending numerous cost reductions and a lesser rate of return. (Exhibits 16-23.)

The Commission conducted four Public Participation Hearings. The first, held on June 2, 1998, in Morongo Valley, with Assigned Commissioner Duque presiding, attracted more than 300 ratepayers, most of them angry about SCWC's proposed 35% increase in 1999 water rates. Subsequent Public Participation Hearings were conducted July 23, 1998, in Los Angeles; July 27, 1998, in Ojai, and July 28, 1998, in Apple Valley. While no ratepayers attended the Los Angeles hearing, more than 200 turned out for both the Ojai and Apple Valley hearings. Two additional public hearings were conducted by Branch in the Metropolitan and Orange districts. The Commission has received several hundred letters from ratepayers, most of them in Ojai, Morongo Valley and Apple Valley, protesting the proposed rate increases.

Prior to the beginning of evidentiary hearings on August 4, 1998, SCWC, Branch and the Morongo Valley Chamber of Commerce reached agreement on all issues except SCWC's authorized rate of return for the years 1999, 2000 and 2001.¹ The evidentiary hearing, dealing primarily with rate of return, was conducted over three days, with Commissioner Duque in attendance. Briefs and reply briefs were filed by September 21, 1998, and oral argument before Commissioner Duque was held on September 23, 1998, at which time this proceeding was deemed submitted for decision.

¹ A motion for adoption of stipulation was filed on August 25, 1998, by SCWC, Branch and the Morongo Valley Chamber of Commerce. The Chamber of Commerce took no position on rate of return and did not participate in the evidentiary hearings held on this issue.

3. Highlights of the Stipulation

The company, Branch and the Morongo Valley Chamber of Commerce Citizens for Affordable Water Committee on August 25, 1998, filed a motion for adoption of stipulation of all issues in this rate case except for determination of the rate of return. The stipulation reduces or defers some planned expenditures by SCWC, thus reducing the amount of increase in all six districts. Costs related directly to water quality and service generally are retained at the levels sought by SCWC. Among the issues resolved in the stipulation are the following:

- A \$500,000 uranium treatment facility in Morongo Valley, in the Desert District, has been removed from the rate request pending approval of a bill in Congress for federal funding of this project. The facility would treat water from a well that has shown a level of uranium slightly above the standard set by the Environmental Protection Agency. Uranium is a suspected cancer-causing agent.
- The costs of major plant improvements in Orange County, particularly a \$5 million reservoir, have been spread to years beyond the year 2000 in order to reduce the immediate increase in rates.
- SCWC agreed to a reduction in vehicle replacement, adopting Branch's recommendation to replace vehicles at the end of each test year when they show mileage of 100,000 or more.
- The parties compromised on levels of labor, operational and maintenance expense, generally adopting forecasts lower than those proposed by the company.
- SCWC agreed to seek alternative sources of power to take advantage of reduced electricity charges. While the 10% reduction in electricity costs available to residential and small business users is not available to SCWC, the company pledged to seek an alternative provider and pass savings to customers through its Supply Cost Balancing Account.

- An SCWC request to recover general office costs from all 16 of its districts rather than only those districts involved in a general rate case was adopted by the parties, but deferred pending an industry and Water Division study that would apply to all major water companies. The parties are considering an advice letter procedure for these expenses that would remove them from general rate case proceedings.

The stipulation, attached to this decision as Appendix D, describes these and other agreements by the parties in more detail. Reconciliation exhibits, shown as an attachment to Appendix D, recite in detail the original proposals by SCWC, the original responses by Branch (identified as "Staff"), the reductions or increases agreed to by each of these parties, and the final numbers agreed upon by the three active parties in this proceeding.

The all-party stipulation conforms with the requirements of Article 13.5 of our Rules of Practice and Procedure. All active parties support the stipulation. No party opposes it. The stipulation meets the tests we outlined in San Diego Gas & Electric Co. (1992) 46 CPUC2d 538 (Decision (D.) 92-12-019) in that each party is adequately represented; the interests of ratepayers have been asserted by Branch and the Morongo Valley Chamber; no terms of the settlement contravene any statutory provision or any decision of this Commission, and the stipulation, together with the record in this proceeding, convey sufficient information to permit us to make an informed evaluation. The stipulation should be adopted and the motion for approval of the stipulation should be granted.

4. Conflicting Recommendations on Investment Return

We return to the issue of rate of return, the only issue left unresolved by the parties' stipulation.

SCWC recommends adoption of an average rate of return on rate base of 9.76% for each of the next three years. This rate of return is comprised of a return

on equity of 11.50%; a cost of debt of 8.07%, 8.01% and 7.96% for 1999, 2000, and 2001, respectively, and a cost of preferred stock of 4.31%, 4.30% and 4.28%, respectively. Branch recommends a rate of return of 8.07%, 8.02% and 7.95% for 1999, 2000, and 2001, respectively. Branch recommends return on equity of 8.20% for each of the three years. It recommends cost of debt of 7.98%, 7.87%, and 7.73% for 1999, 2000, and 2001, respectively. The parties agree on recommended capital structure and cost of preferred stock, which are the additional elements necessary to calculate rate of return.

5. SCWC's Evidence for an 11.50% Return

SCWC's evidence on rate of return was presented primarily by Henry G. Mulle, a financial consultant. Mulle, supporting the company's request for an 11.50% return on common equity, testified that he used four methods of investor appraisal to determine a consensus "blend" on the return on equity that will enable SCWC to attract capital under reasonable rates and to maintain its credit. The consensus results of these analyses, Mulle testified, formed a range of returns from 10.40% to 12.68%.

Mulle presented financial information for 11 water utilities similar to SCWC in risk and return characteristics. He also analyzed returns for nine non-water utilities, including energy companies, with financial characteristics comparable to SCWC. Using these comparison groups as a guide, Mulle analyzed SCWC's return on equity using a discounted cash flow analysis (which estimates the market's discount rate for a particular stock and an investor's expectations); a risk premium approach (which recognizes different risks and rewards for various investment instruments); a capital asset pricing model (or "CAPM," which estimates market cost of common equity by reference to risk); and a comparable earnings test (comparing earned returns of SCWC and the comparison groups).

Mulle presented calculations to show that the discounted cash flow analysis showed a cost of equity of 11.65% for the comparison groups and 11.73% for SCWC. (Ex. 3, pp. 56-57.) Under the risk premium analysis, gauging the premium investors expect based on the risk of an investment, Mulle calculated a market cost of equity for a typical water utility with A-rated bonds in a range of 11.2% to 11.57%, with SCWC's cost of equity at 11.35%. (Ex. 3, pp. 32-40 and Schedule 5.) The CAPM calculation, based primarily on the Value Line beta, showed a cost of equity of 10.40% for SCWC. (Ex. 3, pp. 43-44.)

Mulle criticized Branch's calculations, arguing that its discounted cash flow results used book value of the company's common equity rather than market price, which he said is what concerns investors. He argued that Branch failed to recognize investment risks of a relatively small company like SCWC in view of pending water quality lawsuits, state and federal water quality requirements and the need to replace aging infrastructure. He presented calculations to show that Branch's recommendation of 8.20% return on common equity would likely result in a downgrade of SCWC's credit from its current A+ rating to a BBB+ or A- rating, thus increasing the company's cost of debt.

6. Branch's Evidence Supporting an 8.20% Return

Branch also selected a group of 11 water companies, including SCWC, with comparable characteristics, and then tested them through its own calculation of discounted cash flow, risk premium and capital asset pricing. Branch concluded that investors expect these companies to earn a return on equity of 8.12% under the discounted cash flow model, 8.20% under the risk premium model, and 8.24% under capital asset pricing, for an over-all average of 8.19%. (Ex. 16, pp. 3-15.)

Branch's witness, Seaneen M. Wilson, a utility financial examiner, testified that Branch examined the risks facing SCWC to determine whether investors would reasonably require the company to earn more or less than the average

expected return. Wilson testified that the price of SCWC's stock is higher than its book value per share, suggesting that the company's return is greater than that required by investors; that SCWC is a large, geographically diverse water company, thus balancing risks faced by any one district, and that the regulatory environment in California is supportive of water companies, thus encouraging investors. Branch asserted that SCWC faces relatively low risk, and that this supports a return on equity of about the average of the comparison group.

Wilson testified that reduced interest rates support the lower return on equity. In May 1998, the rate for Treasury notes was 5.93% with a forecasted rate for 1998 through 2000 of 5.50%; the rate for utilities rated AA was 7.02% in May 1998 with a forecasted rate through the year 2000 of 6.55%. At the end of July 1998, Wilson testified, the rate for treasuries had dropped to 5.68%, with a forecasted rate for 1999 through 2001 of 5.28%; the rate for AA utilities was 6.85%, with a forecasted rate over the next two years of 6.32%. (Ex. 16, at 601, 735.) Wilson testified that these declining rates demonstrate lower expectations of investors for return on equity of water utilities.

Branch disputes SCWC's contention that cost of common equity should be based on the collective prices investors pay for their shares of stock, rather than on the book value of common equity, stating that the latter method has traditionally been used by the Commission and provides comparisons with the equity return granted to other regulated utilities. Branch argues that its evidence on interest rates contradicts Mulle's assessment that interest rate projections were showing little change, at least in the early part of 1998.

7. What Return Is Appropriate Based on the Record?

Water is the last real monopoly under the jurisdiction of this Commission. Virtually all other utilities that we regulate face some degree of competition. Absent competition, our task in balancing ratepayer and shareholder interests

becomes more important. On behalf of ratepayers, we encourage the lowest rates practical. On behalf of utilities, we have been guided for more than 70 years by pronouncements of the United States Supreme Court.

In Bluefield Water works & Improvement Co. v. Public Service Commission (1923) 262 U.S. 679, 692-03, the Court said:

"A public utility is entitled to such rates as will permit it to earn a return on the value of the property which it employs for convenience of the public equal to that generally being made at the same time and in the same general part of the country on investments in other business undertakings which are attended by corresponding risks and uncertainties; but it has no constitutional right to profits such as are realized or anticipated in highly profitable enterprises or speculative ventures. The return should be reasonably sufficient to assure confidence in the financial soundness of the utility and should be adequate, under efficient and economical management, to maintain and support its credit and enable it to raise the money necessary for the proper discharge of its public duties."

We turn first to the issue of cost of debt, an area where there are only slight differences in forecasts by SCWC and Branch. We will adopt the company's recommendation -- 8.07%, 8.01% and 7.96% for the years 1999, 2000 and 2001, respectively -- since its forecasts are based on later information of the spread between Treasury bonds and A-rated utility bonds, a fact acknowledged by Branch.

The parties are far apart on the issue of return on equity. SCWC bases its recommendation for an 11.50% return on equity on the costs facing the company over the next three years and interest rates on likely borrowing, plus a substantial premium for what SCWC regards as extraordinary risks of water quality cleanup and water quality lawsuits. The evidence, however, shows that interest rates have dropped significantly since the company prepared its recommendation, with the inference that necessary debt will be less costly. The latest annual report shows that the company has increased its quarterly dividend (to 31.5 cents per

share) for the 44th consecutive year, suggesting continued financial health. (Ex. 38.) While SCWC faces the risk of four lawsuits challenging the quality of its water, some of this risk has been offset by insurance, and by indemnification from other parties responsible for pollution. The Commission permits tracking of litigation costs of this nature for later recovery after a prudence review. (Ex. 32.) Costs triggered by federal and state clean water requirements are a risk faced by all water companies and to a substantial extent are offset by balancing account treatment authorized by this Commission.

While SCWC has shown that its requested return matches that of some comparable companies, it has not explained to our satisfaction why its request is significantly higher than equity returns granted by this Commission to other investor-owned water companies. In late 1997, the Commission authorized return on equity of 10.4% for SCWC in three districts (D.97-12-065); 10.3% for California-American Water Company (D.97-12-018); 10% for Park Water (D.97-11-061), and 10.2% for Santa Clarita Water Company (D.97-09-001).

On the other hand, the evidence suggests that Branch aims too low with its recommendation of an 8.20% return on equity. Branch's own calculations suggest that SCWC's A+ bond rating is likely to be downgraded to BBB+ or A- if return on equity is less than 9.4% this year and 9.2% next year. A downgraded bond rating presumably would translate into higher costs of borrowing, which ultimately would be paid by ratepayers. Similarly, Branch acknowledged that the company's current dividend payout ratio would require a return on equity in the neighborhood of 9.6%. If SCWC were required to reduce its dividend to maintain its current payout ratio, the result likely would be a decline in the value of its stock and common equity.

Branch acknowledges that SCWC has earned an average 144 basis points less than its authorized rate of return for each of the years 1993 through 1997

(Ex. 16, Table 2-1), and it agrees that this lapse would justify an increase in what we might otherwise consider in authorized rate of return absent evidence of poor management. Branch concluded in its reports that the company's management was adequate, and that SCWC is providing satisfactory water service to its customers and is doing so in an economical and efficient manner.

We believe that the return on equity here should be sufficient to maintain SCWC's bond rating, particularly since the company faces increased debt for massive infrastructure replacement planned in the near future. At the same time, while we believe that SCWC has overstated its exposure to Safe Drinking Water Act costs, we are aware that the company faces water production and litigation risks that are greater than those of other Class A water companies. We note that the company has not realized its authorized rate of return in recent years, and we conclude that this demonstrates a higher level of business risk.

On the whole, we believe that Branch has presented a more balanced analysis of the costs and risks facing SCWC in the next three years, and that it has more accurately tracked the likely decline in interest rates. For these reasons, and on the basis of the record as a whole, we will adopt a return on equity of 10.0%, with a corresponding rate of return of 9.03% in 1999, 9.00% in the year 2000, and 8.97% in 2001.

At the urging of Assigned Commissioner Duque, we have reexamined the record with respect to testimony and comments on behalf of the City of Ojai, which was not a party to the settlement agreement. The unrebutted testimony of the City of Ojai, mirroring along with the comments of Ojai residents at the Public Participation Hearing on July 27, 1998, persuades us that SCWC has not responded adequately to water quality problems in that community. While the company has installed iron and manganese filters, the problems of discolored and foul-tasting water apparently persist. We believe that SCWC should

redouble its efforts to correct this problem. Toward that end, we find it appropriate to impose a monetary sanction on SCWC pending improvement of water quality in Ojai. Accordingly, our order today deducts 100 basis points and adopts a 9.0% return on equity for SCWC's Ojai District for a one-year period. In November 1999, SCWC is directed to report in writing to the Ratepayer Representation Branch, with a copy to the City of Ojai, showing that it has taken all reasonable steps to deal with the water quality problem in Ojai. Absent objection by Branch, return on equity of 10% will be in effect for the Ojai District beginning on January 1, 2000.

Our order today requires SCWC to recalculate the rate increase for the Ojai District at a 9.0% return on equity for the period January 1, 1999, through December 31, 1999, and to include that calculation in its tariff filing.

8. Comments on Proposed Decision

The proposed decision of the administrative law judge was filed and mailed to the parties on October 27, 1998, pursuant to Rule 77.1 of the Rules of Practice and Procedure. SCWC in its comments asks for an ordering paragraph authorizing it to file new service territory maps to reflect recent service territory extensions. That request was made in the application. SCWC also asks for an ordering paragraph authorizing it to file advice letters in its other districts to recover agreed-upon costs of its general office. This was a provision of the stipulation adopted by the parties (Appendix D, Paragraph 17.07). SCWC's requested modifications are unopposed. We have added these provisions to the ordering paragraphs.

Branch in its comments argues that the evidence does not support adoption of the company's recommended cost of debt or our conclusion that a return on equity of 10.0% is reasonable. We have reviewed the record, and we believe that there is ample evidence to support the finding on cost of debt (based

on SCWC's later data) and the calculation of return on equity (based on the record as a whole, including Branch's estimates of the return required to maintain SCWC's bond rating and payout ratio). We reject Branch's suggestion that our finding as to equity return is an either-or proposition between the company's recommendation and that of Branch. The Commission has long recognized that "the appropriate return on equity is not a mechanical process based on well settled formulae but an exercise in judgment based on a variety of factors." (In re Park Water Company (1987) 25 CPUC2d 397, 412.)

Findings of Fact

1. As set forth in Appendix D, the parties have reached a stipulation on all issues except the appropriate rate of return.
2. The stipulation is supported by SCWC, Branch and the Morongo Valley Chamber of Commerce.
3. No party opposes the stipulation.
4. SCWC proposes a return on equity of 11.50% and a corresponding rate of return of 9.76%.
5. Branch recommends a return on equity of 8.20% and a corresponding rate of return of 8.07%, 8.02% and 7.95% for 1999, 2000, and 2001, respectively.
6. SCWC has not demonstrated that it has used all reasonable efforts to resolve water quality problems in the Ojai District.

Conclusions of Law

1. The stipulation on issues conforms to Article 13.5 and meets the tests outlined in San Diego Gas & Electric Co., supra.
2. The stipulation should be adopted and the motion for approval of the stipulation should be granted.

3. The company's recommendation on cost of debt is based on later information than that of Branch.
4. The company's recommendation on cost of debt - 8.07%, 8.01% and 7.96% for the years 1999, 2000, and 2001, respectively - should be adopted.
5. Based on the record as a whole, a return on equity of 10.0%, with a corresponding rate of return of 9.03 in 1999, 9.00% in the year 2000, and 8.97% in 2001 should be adopted.
6. SCWC should be authorized to file the rates set forth in Appendices A and B, as specified in the order. Adopted quantities are set forth in Appendix C.
7. SCWC should be authorized to file advice letters requesting rate relief as specified in the order.
8. The return on equity for SCWC's Ojai District should be set at 9.0% for the period January 1, 1999, to December 31, 1999, to encourage the company to apply all reasonable efforts to resolve the water quality problem in that district.

O R D E R

IT IS ORDERED that:

1. The stipulation attached hereto as Appendix D and agreed to by Southern California Water Company (SCWC), the Ratepayer Representation Branch (Branch) of the Water Division, and the Morongo Valley Chamber of Commerce Citizens for Affordable Water Committee is approved.
2. The motion for approval of the stipulation is granted.
3. SCWC is authorized to file the revised schedules attached to this order as Appendix A. The filing shall comply with General Order (GO) 96-A. The effective date of the revised schedules shall be not earlier than January 1, 1999, or 5 days after the filing, whichever is later. The revised schedules shall apply to service rendered on or after the effective date. For the Ojai District, SCWC is to

recalculate return on equity at 9.0% for that district for the period January 1, 1999, through December 31, 1999, and to include that calculation in its tariff filing. In November 1999, SCWC shall report in writing to the Ratepayer Representation Branch, with a copy to the City of Ojai, showing that it has taken all reasonable steps to deal with the water quality problem in Ojai. Absent objection by Branch, return on equity of 10% will be in effect for the Ojai District beginning on January 1, 2000.

4. On or after November 1, 1999, SCWC is authorized to file an advice letter, with appropriate work papers, requesting the step rate increase for the year 2000 included in Appendix B or to file a proportionately lesser increase for those rates in Appendix A for the Desert, Ojai, San Dimas, San Gabriel, orange and Metropolitan districts in the event that a district's rate of return on rate base, adjusted to reflect rates then in effect and normal ratemaking adjustments for the 12 months ended September 30, 1999, exceeds the lower of (a) the rate of return found reasonable by the Commission for SCWC during the corresponding period in the then most recent rate decision or (b) 9.00%. This filing shall comply with GO 96-A. The requested step rates shall be reviewed by Branch to determine their conformity with this order and shall go into effect upon Branch's determination of conformity. Branch shall inform the Commission if it finds that the proposed step rates are not in accord with this Decision or other Commission decisions. The effective date of the revised schedules shall be no earlier than January 1, 2000, or 30 days after filing, whichever is later. The revised schedules shall apply only to service rendered on or after their effective date.

5. On or after November 1, 2000, SCWC is authorized to file an advice letter, with appropriate work papers, requesting the step rate increase for the year 2001 included in Appendix B or to file a proportionately lesser increase for those rates in Appendix B for the Desert, Ojai, San Dimas, San Gabriel, orange and

Metropolitan districts in the event that a district's rate of return on rate base, adjusted to reflect rates then in effect and normal ratemaking adjustments for the 12 months ended September 30, 2000, exceeds the lower of (a) the rate of return found reasonable by the Commission for SCWC during the corresponding period in the then most recent rate decision or (b) 8.97%. This filing shall comply with GO 96-A. The requested step rates shall be reviewed by Branch to determine their conformity with this order and shall go into effect upon Branch's determination of conformity. Branch shall inform the Commission if it finds that the proposed step rates are not in accord with this Decision or other Commission decisions. The effective date of the revised schedules shall be no earlier than January 1, 2001, or 30 days after filing, whichever is later. The revised schedules shall apply only to service rendered on or after their effective dates.

6. SCWC is authorized to file revised service territory maps, as described in its application, in its San Dimas, San Gabriel and Orange County Districts to reflect service territory extensions.

7. SCWC is authorized to file advice letters in its non-General Rate Case districts to recover agree-upon costs of SCWC's General Office once the requirements of Paragraph 17.07 of Appendix D have been fulfilled.

8. Application (A.) 98-03-029, A.98-03-030, A.98-03-031, A.98-03-032, A.98-03-033, and A.98-03-034 are closed.

This order is effective today.

Dated December 17, 1998, at San Francisco, California.

RICHARD A. BILAS
President
P. GREGORY CONLON
JESSIE J. KNIGHT, JR.
HENRY M. DUQUE
JOSIAH L. NEEPER
Commissioners

A.98-03-029, et al. ALJ/GEW/avs

APPENDIX A

APPENDIX A
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Desert District

Schedule No.DEM-1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Morongo Valley and vicinity, San Bernardino County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft...	\$3.595	(I)
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Service Charge:

Per Meter
Per Month

For 5/8" x 3/4-inch meter.....	\$40.20	(I)
For 3/4 inch meter.....	\$50.25	I
For 1-inch meter.....	\$70.35	I
For 1-1/2" inch meter.....	\$121.00	I
For 2-inch meter.....	\$181.00	I
For 3-inch meter.....	\$322.00	I
For 4-inch meter.....	\$523.00	I
For 6-inch meter.....	\$1,025.00	I
For 8-inch meter.....	\$1,628.00	I
For 10-inch meter.....	\$2,332.00	(I)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS:

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
2. Due to the undercollection in the Balancing Account, an amount of \$0.170 per Ccf is to be added to the Quantity Rates for 36 months beginning January 1, 1999.

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Southern California Water Co.
Desert District

Schedule No. DEM-2H

HAULAGE FLAT RATE SERVICE

APPLICABILITY

Applicable to all water delivered from Company designated outlets for haulage by customers for domestic use.

TERRITORY

Morongo Valley and vicinity, San Bernardino County.

RATES

	<u>Per Month</u>	
For water delivered for domestic use only and when hauled by the customer.....	\$24.00	(1)

SPECIAL CONDITIONS:

1. Each customer desiring to obtain water under this schedule must make an application for service to the utility.
2. Service under this schedule will be furnished only from Company designated outlets specified for haulage service consisting of ¾-inch hose bib with garden hose fitting located in Morongo Valley as follows:

Southwest corner of Sinilis Avenue and Juniper Avenue

3. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

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Southern California Water Co.
Desert District

Schedule No. DEV-1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The vicinity of Victorville and Lucerne Valley San Bernardino County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft...	\$2.696	(1)
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Service Charges:

Per Meter
Per Month

For 5/8" x 3/4-inch meter.....	\$18.95	(1)
For 3/4 inch meter.....	\$23.70	
For 1-inch meter.....	\$33.15	
For 1-1/2" inch meter.....	\$56.85	
For 2-inch meter.....	\$85.30	
For 3-inch meter.....	\$152.00	
For 4-inch meter.....	\$246.00	
For 6-inch meter.....	\$483.00	
For 8-inch meter.....	\$767.00	
For 10-inch meter.....	\$1,099.00	(1)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS:

1. Water supplied in the territory comprising a portion of Section 16, Township 4 North, Range 2 West, San Bernardino Base and Meridian, located 15 miles south-easterly of Victorville, San Bernardino County, is of high fluoride content.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.
3. Due to the undercollection in the Balancing Account, an amount of \$0.17 per Ccf is to be added to the Quantity Rates for 36 months beginning January 1, 1999.

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Southern California Water Co.
Metropolitan District

Schedule No. ME-1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Portions of the Cities of Artesia, Bell, Bell Gardens, Carson, Cerritos, Compton, Cudahy, Culver City, Downey, El Segundo, Gardena, Hawaiian Gardens, Hawthorne, Huntington Park, Inglewood, Lakewood, La Mirada, Lawndale, Long Beach, Norwalk, Paramount, Santa Fe Springs, South Gate, and the communities of Athens, Lennox, and Moneta and vicinity, Los Angeles County, and portions of the City of Los Alamitos, Orange County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft...	\$1.665	(l)
--	---------	-----

Service Charge:

Per Meter
Per Month

For 5/8" x 3/4-inch meter.....	\$9.80	(l)
For 3/4 inch meter.....	\$14.70	l
For 1-inch meter.....	\$24.55	l
For 1-1/2" inch meter.....	\$49.05	l
For 2-inch meter.....	\$78.50	l
For 3-inch meter.....	\$147.00	l
For 4-inch meter.....	\$245.00	l
For 6-inch meter.....	\$491.00	l
For 8-inch meter.....	\$785.00	l
For 10-inch meter.....	\$1,128.00	(l)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS:

1. Due to the undercollection in the Balancing Account, an amount of \$0.066 per Ccf is to be added to the Quantity Rates for 36 months beginning January 1, 1999.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

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Southern California Water Co.
Metropolitan District

Schedule No. ME-3

RECLAIMED WATER SERVICE

APPLICABILITY

Applicable to all metered reclaimed (non-potable) water service for irrigation and/or industrial use.

TERRITORY

Portions of the Cities of Artesia, Bell, Bell Gardens, Carson, Cerritos, Compton, Cudahy, Culver City, Downey, El Segundo, Gardena, Hawaiian Gardens, Hawthorne, Huntington Park, Inglewood, Lakewood, La Mirada, Lawndale, Long Beach, Norwalk, Paramount, Santa Fe Springs, South Gate, and the communities of Athens, Lennox, and Moneta and vicinity, Los Angeles County, and portions of the City of Los Alamitos, Orange County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft... \$1.0400

Service Charge:

Per Meter
Per Month

For 5/8" x 3/4-inch meter.....	\$2.00
For 3/4 inch meter.....	\$2.50
For 1-inch meter.....	\$3.00
For 1-1/2" inch meter.....	\$5.50
For 2-inch meter.....	\$7.00
For 3-inch meter.....	\$52.00
For 4-inch meter.....	\$75.80
For 6-inch meter.....	\$95.50
For 8-inch meter.....	\$120.00
For 10-inch meter.....	\$150.00

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS:

1. Due to the undercollection in the Balancing Account, an amount of \$0.066 per Ccf is to be added to the Quantity Rates for 36 months beginning January 1, 1999.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

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Southern California Water Co.
Ojai District

Schedule No. OJ-1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all general metered water service except public parks.

TERRITORY

Ojai and vicinity, Ventura County.

RATES

Quantity Rates:

First 500 cu. ft., per 100 cu. ft.	\$1.520	(I)
Next 1500 cu. ft., per 100 cu. ft.	\$1.639	(I)
Over 2000 cu. ft., per 100 cu. ft.	\$1.946	(I)

Service Charge:

Per Meter
Per Month

For 5/8" x 3/4-inch meter.....	\$14.00	(I)
For 3/4 inch meter.....	\$17.50	
For 1-inch meter.....	\$24.50	
For 1-1/2" inch meter.....	\$42.00	
For 2-inch meter.....	\$63.00	
For 3-inch meter.....	\$112.00	
For 4-inch meter.....	\$182.00	
For 6-inch meter.....	\$357.00	
For 8-inch meter.....	\$567.00	(I)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS:

1. Due to the overcollection in the Balancing Account, an amount of \$0.069 per Ccf is to be subtracted from the Quantity Rates shown above for a 12-month period beginning January 1, 1999.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

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Southern California Water Co.
Ojai District

Schedule No. OJ-3M

SPECIAL IRRIGATION METERED SERVICE

APPLICABILITY

Applicable to ten specific parcels of land identified on Special Irrigation Metered Service Tariff Area Map.

TERRITORY

Ojai and vicinity, Ventura County.

RATES

Quantity Rates:

Casitas Municipal Water District agricultural non-prime rates as amended from time to time.

Wheeling Surcharge:

For	2-inch meter.....	\$171.00
For	4-inch meter.....	\$207.00

The Wheeling Surcharge is a Southern California Water Company charge for transporting Casitas Irrigation water to said ten specific parcels of land, which charge is to be added to the quantity charge computed at Casitas MWD rates.

SPECIAL CONDITIONS:

1. Service provided on an annual basis.
2. Service provided in conformance with Water Service Agreement entered into on July 9, 1980, by and between Casitas Municipal Water District and Southern California Water Company.
3. This schedule is for irrigation water only. Any domestic or residential water use of these specific parcels of land shall be through a separate water meter and billed at the General Metered Service Rate.
4. If any irrigation water sold under this schedule exceeds in total irrigation water delivered by Casitas each month, then the excess irrigation water delivered shall be billed at the General Metered Service Rate.
5. Service under this tariff schedule shall, at all times, be subject to such changes or modifications by the California Public Utilities Commission as said Commission may, from time to time, direct in exercise of its judgment.
6. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

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Southern California Water Co.
Ojai District

Schedule No. OJ-7ML

PUBLIC IRRIGATION METERED SERVICE

APPLICABILITY

Applicable to all general metered water service to public parks.

TERRITORY

Ojai and vicinity, Ventura County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft.	\$1.235	(l)
---	---------	-----

Service Charge:

Per Meter
Per Month

For 5/8" x 3/4-inch meter.....	\$14.00	(l)
For 3/4 inch meter.....	\$17.50	l
For 1-inch meter.....	\$24.50	l
For 1-1/2 inch meter.....	\$42.00	l
For 2-inch meter.....	\$63.00	(l)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS:

1. Service under this schedule shall be limited to the City of Ojai, the County of Ventura and the Civic Center Park (Ojai Civic Association, Trustee).
2. The above rates apply to service connections not larger than two inches in diameter.
3. The cost of installation of service pipes and meters shall be borne by the utility. Relocation of such facilities shall be at the expense of the party requesting relocation.
4. Due to the overcollection in the Balancing Account, an amount of \$0.069 per Ccf is to be subtracted from the Quantity Rates shown above for a 12-month period beginning January 1, 1999.
5. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

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Southern California Water Co.
Orange County District

Schedule No. OC-1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

All or portions of the Cities of Cypress, La Palma, Los Alamitos, Placentia, Seal Beach, Stanton, Yorba-Linda and vicinity, Cowan Heights, Peacock Hills, Orange County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft. \$1.218 (I)

Service Charge:

Per Meter
Per Month

For 5/8" x 3/4-inch meter.....	\$8.60	(I)
For 3/4 inch meter.....	\$12.95	I
For 1-inch meter.....	\$21.55	I
For 1-1/2" inch meter.....	\$43.10	I
For 2-inch meter.....	\$68.95	I
For 3-inch meter.....	\$129.00	I
For 4-inch meter.....	\$215.00	I
For 6-inch meter.....	\$431.00	I
For 8-inch meter.....	\$689.00	I
For 10-inch meter.....	\$991.00	(I)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS:

1. Due to the overcollection in the Balancing Account, an amount of \$0.039 per Ccf is to be subtracted from the Quantity Rates for 12 months beginning January 1, 1999.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF..

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Southern California Water Co.
Orange County District

Schedule No. OC-3M

METERED IRRIGATION SERVICE

APPLICABILITY

Applicable to irrigation service furnished on a metered basis to territory in this schedule.

TERRITORY

The Incorporated City of Placentia.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft. \$1.048 (I)

Service Charge:

Per Meter
Per Year

For	2-inch meter.....	\$146.00	(I)
For	3-inch meter.....	\$174.00	I
For	4-inch meter.....	\$392.00	I
For	6-inch meter.....	\$552.00	I
For	8-inch meter.....	\$920.00	(I)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS:

1. Due to the overcollection in the Balancing Account, an amount of \$0.039 per Ccf is to be subtracted from the Quantity Rates for 12 months beginning January 1, 1999.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

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Southern California Water Co.
San Dimas District

Schedule No. SD-1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all general metered water service.

TERRITORY

San Dimas, Charter Oak and vicinity, Los Angeles County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft. \$1.456 (I)

Service Charge:

Per Meter
Per Month

For 5/8" x 3/4-inch meter.....	\$10.40	(I)
For 3/4 inch meter.....	\$15.60	I
For 1-inch meter.....	\$25.95	I
For 1-1/2" inch meter.....	\$51.95	I
For 2-inch meter.....	\$83.10	I
For 3-inch meter.....	\$156.00	I
For 4-inch meter.....	\$260.00	I
For 6-inch meter.....	\$520.00	I
For 8-inch meter.....	\$831.00	I
For 10-inch meter.....	\$1,195.00	(I)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS:

1. Due to the undercollection in the Balancing Account, an amount of \$0.038 per Ccf is to be added to the Quantity Rates for 12 months beginning January 1, 1999.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

APPENDIX A
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Southern California Water Co.
San Dimas District

Schedule No. SD-3

MEASURED IRRIGATION SERVICE

APPLICABILITY

Applicable to all measured irrigation service.

TERRITORY

San Dimas, Charter Oak and vicinity, Los Angeles County.

RATES

Quantity Rates:

For all water delivered:
Per 100 cu. ft.....\$0.611 (I)

SPECIAL CONDITIONS:

1. The Miner's Inch is defined as a rate of flow equal to one-fiftieth of a cubic foot per second, or 72 cubic feet.
2. The minimum rate of delivery under this schedule is ten miner's inches.
3. A twenty-four (24) hour advance notice may be required before water is turned on under this schedule.
4. The utility does not represent or guarantee that any water delivered hereunder is potable or of a quality suitable for human consumption. Any consumer who uses said water or makes it available to others for human consumption shall take all necessary precautions to make the same potable and shall assume all risks and liabilities in connection therewith.
5. The utility does not guarantee a continuous and uninterrupted supply under this schedule and reserves the right to temporarily suspend the delivery of water when it is necessary to take the whole or part of the system out of service for the purpose of cleaning, maintaining and repairing or other essential improvements thereon; or for domestic purposes.
6. Water deliveries to customers will be made and measured at the utilities conduits, or as near thereto as practicable.
7. This service is limited to existing irrigation customers who irrigate all or a reasonable part of their acreage each and every year.
8. The utility is not required to provide service under this schedule for the watering of lawns, golf courses parks, memorial parks or cemeteries.
9. Turn on and turn off service will only be provided during the hours of 8:00 a.m. to 5:00 p.m. Monday through Friday.
No irrigation service will be provided on weekends or holidays.
10. Due to the undercollection in the Balancing Account, an amount of \$0.038 per Ccf is to be added to the Quantity Rates for 12 months beginning January 1, 1999.

APPENDIX A
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Southern California Water Co.
San Gabriel Valley District

Schedule No. SG-1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all general metered water service.

TERRITORY

Portions of the Cities of Arcadia, El Monte, Irwindale, Monrovia, Monterey Park, Rosemead, San Gabriel, Temple City and vicinity, Los Angeles County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft. \$1.132 (I)

Service Charge:

Per Meter
Per Month

For 5/8" x 3/4-inch meter.....	\$11.65	(I)
For 3/4 inch meter.....	\$17.45	I
For 1-inch meter.....	\$29.15	I
For 1-1/2" inch meter.....	\$58.25	I
For 2-inch meter.....	\$93.20	I
For 3-inch meter.....	\$175.00	I
For 4-inch meter.....	\$291.00	I
For 6-inch meter.....	\$583.00	I
For 8-inch meter.....	\$932.00	I
For 10-inch meter.....	\$1,340.00	(I)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added the charge for water used computed at the Quantity Rates.

SPECIAL CONDITIONS:

1. Due to the overcollection in the Balancing Account, an amount of \$0.103 per Ccf is to be subtracted from the Quantity Rates for 36 months beginning January 1, 1999.
2. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

(END OF APPENDIX A)

APPENDIX B

APPENDIX B

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Southern California Water Co.
Desert District

Each of the following rates may be put into effect on the indicated date by filing a rate schedule which reflects the rate which would otherwise be in effect on that date.

<u>SCHEDULE NO. DEM-1</u>	<u>2000</u>	<u>2001</u>
Quantity Rates:		
For all water delivered, per 100 cu. ft.....	\$3.770	\$3.834
Service Charges:		
For 5/8" x 3/4-inch meter...	\$41.90	\$44.50
For 3/4 inch meter...	\$55.85	\$65.10
For 1-inch meter...	\$83.80	\$103.00
For 1-1/2" inch meter...	\$154.00	\$199.00
For 2-inch meter...	\$237.00	\$314.00
For 3-inch meter...	\$433.00	\$582.00
For 4-inch meter...	\$712.00	\$965.00
For 6-inch meter...	\$1,411.00	\$1,922.00
For 8-inch meter...	\$2,249.00	\$3,071.00
For 10-inch meter...	\$3,226.00	\$4,411.00

SCHEDULE NO. DEM-2H

For water delivered for domestic use only and when hauled by customer.....	\$25.00	\$26.00
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SCHEDULE NO. DEV-1

Quantity Rates:		
For all water delivered, per 100 cu. ft.....	\$2.828	\$2.988
Service Charges:		
For 5/8" x 3/4-inch meter...	\$19.65	\$19.95
For 3/4 inch meter...	\$26.20	\$28.25
For 1-inch meter...	\$39.30	\$44.90
For 1-1/2" inch meter...	\$72.05	\$86.45
For 2-inch meter...	\$111.00	\$136.00
For 3-inch meter...	\$203.00	\$253.00
For 4-inch meter...	\$334.00	\$419.00
For 6-inch meter...	\$662.00	\$835.00
For 8-inch meter...	\$1,055.00	\$1,333.00
For 10-inch meter...	\$1,513.00	\$1,915.00

APPENDIX B

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**Southern California Water Co.
Metropolitan District**

Each of the following rates may be put into effect on the indicated date by filing a rate schedule which reflects the rate which would otherwise be in effect on that date.

	<u>2000</u>	<u>2001</u>
<u>SCHEDULE NO. ME-1</u>		
Quantity Rates:		
For all water delivered, per 100 cu. ft.....	\$1.717	\$1.783
Service Charges:		
For 5/8" x 3/4-inch meter...	\$10.50	\$11.00
For 3/4 inch meter...	\$15.75	\$16.50
For 1-inch meter...	\$26.30	\$27.45
For 1-1/2" inch meter...	\$52.55	\$54.95
For 2-inch meter...	\$84.10	\$87.90
For 3-inch meter...	\$158.00	\$165.00
For 4-inch meter...	\$263.00	\$275.00
For 6-inch meter...	\$526.00	\$549.00
For 8-inch meter...	\$841.00	\$879.00
For 10-inch meter...	\$1,209.00	\$1,264.00

SCHEDULE NO. ME-3**Quantity Rates:**

For all water delivered, per 100 cu. ft.....	\$1.040	\$1.0400
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Service Charges:

For 5/8" x 3/4-inch meter...	\$2.00	\$2.00
For 3/4 inch meter...	\$2.50	\$2.50
For 1-inch meter...	\$3.00	\$3.00
For 1-1/2" inch meter...	\$5.50	\$5.50
For 2-inch meter...	\$7.00	\$7.00
For 3-inch meter...	\$52.00	\$52.00
For 4-inch meter...	\$75.80	\$75.80
For 6-inch meter...	\$95.50	\$95.50
For 8-inch meter...	\$120.00	\$120.00
For 10-inch meter...	\$150.00	\$150.00

APPENDIX B

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Southern California Water Co. Ojai District

Each of the following rates may be put into effect on the indicated date by filing a rate schedule which reflects the rate which would otherwise be in effect on that date.

	<u>2000</u>	<u>2001</u>
<u>SCHEDULE NO. OJ-1</u>		
Quantity Rates:		
First 500 cu. ft., per 100 cu. ft.	\$1.520	\$1.520
Next 1500 cu. ft., per 100 cu. ft.	\$1.639	\$1.639
Over 2000 cu. ft., per 100 cu. ft.	\$1.947	\$1.947
Service Charges:		
For 5/8" x 3/4-inch meter...	\$14.20	\$14.45
For 3/4 inch meter...	\$18.95	\$20.45
For 1-inch meter...	\$28.40	\$32.50
For 1-1/2" inch meter...	\$52.05	\$62.60
For 2-inch meter...	\$80.45	\$98.75
For 3-inch meter...	\$147.00	\$183.00
For 4-inch meter...	\$241.00	\$303.00
For 6-inch meter...	\$478.00	\$604.00
For 8-inch meter...	\$762.00	\$966.00

SCHEDULE NO. OJ-3M

Quantity Rates:

Casitas Municipal Water District agricultural non-prime rates as amended from time to time.

Service Charges:

For 2-inch meter...	\$218.00	\$268.00
For 4-inch meter...	\$274.00	\$344.00

SCHEDULE NO. OJ-7ML

Quantity Rates:

For all water delivered, per 100 cu. ft.	\$1.236	\$1.235
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Service Charges:

For 5/8" x 3/4-inch meter...	\$14.20	\$14.45
For 3/4 inch meter...	\$18.95	\$20.45
For 1-inch meter...	\$28.40	\$32.50
For 2-inch meter...	\$52.05	\$62.60
For 4-inch meter...	\$80.45	\$98.75

APPENDIX B

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**Southern California Water Co.
Orange County District**

Each of the following rates may be put into effect on the indicated date by filing a rate schedule which reflects the rate which would otherwise be in effect on that date.

	<u>2000</u>	<u>2001</u>
<u>SCHEDULE NO. OC-1</u>		
Quantity Rates:		
For all water delivered, per 100 cu. ft.	\$1.255	\$1.292
Service Charges:		
For 5/8" x 3/4-inch meter...	\$9.05	\$9.30
For 3/4 inch meter...	\$13.60	\$13.95
For 1-inch meter...	\$22.65	\$23.20
For 1-1/2" inch meter...	\$45.30	\$46.45
For 2-inch meter...	\$72.50	\$74.30
For 3-inch meter...	\$136.00	\$139.00
For 4-inch meter...	\$227.00	\$232.00
For 6-inch meter...	\$453.00	\$464.00
For 8-inch meter...	\$725.00	\$743.00
For 10-inch meter...	\$1,042.00	\$1,068.00

SCHEDULE NO. OC-3M

Quantity Rates:		
For all water delivered, per 100 cu. ft.	\$1.087	\$1.119
Service Charges:		
For 2-inch meter.....	\$154.00	\$157.00
For 3-inch meter.....	\$183.00	\$187.00
For 4-inch meter.....	\$413.00	\$422.00
For 6-inch meter.....	\$580.00	\$595.00
For 8-inch meter.....	\$968.00	\$992.00

APPENDIX B

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**Southern California Water Co.
San Dimas District**

Each of the following rates may be put into effect on the indicated date by filing a rate schedule which reflects the rate which would otherwise be in effect on that date.

	<u>2000</u>	<u>2001</u>
<u>SCHEDULE NO. SD-1</u>		
Quantity Rates:		
For all water delivered, per 100 cu. ft.	\$1.492	\$1.524
Service Charges:		
For 5/8" x 3/4-inch meter...	\$10.65	\$10.95
For 3/4 inch meter...	\$15.95	\$16.40
For 1-inch meter...	\$26.55	\$27.35
For 1-1/2" inch meter...	\$53.15	\$54.65
For 2-inch meter...	\$85.05	\$87.45
For 3-inch meter...	\$159.00	\$164.00
For 4-inch meter...	\$266.00	\$273.00
For 6-inch meter...	\$532.00	\$547.00
For 8-inch meter...	\$850.00	\$874.00
For 10-inch meter...	\$1,222.00	\$1,257.00

SCHEDULE NO. SD-3

Quantity Rates:		
For all water delivered, per 100 cu. ft.	\$0.626	\$0.640

APPENDIX B

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**Southern California Water Co.
San Gabriel District**

Each of the following rates may be put into effect on the indicated date by filing a rate schedule which reflects the rate which would otherwise be in effect on that date.

	<u>2000</u>	<u>2001</u>
<u>SCHEDULE NO. SG-1</u>		
Quantity Rates:		
For all water delivered, per 100 cu. ft.	\$1.157	\$1.196
Service Charges:		
For 5/8" x 3/4-inch meter...	\$12.05	\$12.35
For 3/4 inch meter...	\$18.10	\$18.55
For 1-inch meter...	\$30.15	\$30.95
For 1-1/2" inch meter...	\$60.30	\$61.85
For 2-inch meter...	\$96.50	\$98.95
For 3-inch meter...	\$181.00	\$186.00
For 4-inch meter...	\$302.00	\$309.00
For 6-inch meter...	\$603.00	\$619.00
For 8-inch meter...	\$965.00	\$990.00
For 10-inch meter...	\$1,387.00	\$1,423.00

(END OF APPENDIX B)

APPENDIX C

APPENDIX C

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Southern California Water Company
Desert District - A.98-03-029

Adopted Quantities

(Dollars in thousands)

	<u>1999</u>	<u>2000</u>
<u>PURCHASED POWER</u>		
WELLS:		
Total Production (KCcf)	597.9	593.8
Kwh per Ccf	1.5680	1.5680
SoCal. Edison		
Total Kwh	937,818	931,430
Unit Cost (\$/Kwhr)	0.000109	0.000110
Power Cost (wells)	\$102.6	\$102.1
BOOSTERS:		
SoCal. Edison		
Total Production (KCcf)	597.9	593.8
Kwh per Ccf	0.77564	0.77564
Total Kwh	463,762	460,603
Unit Cost (\$/Kwhr)	0.000087	0.000087
Power Cost (boosters)	\$40.3	\$40.1
S. C. Gas		
Total therms	32.0	31.0
Unit Cost (\$/therm)	0.01556	0.01606
Power Cost	\$0.5	\$0.5
Total Purchased Power Cost	\$143.4	\$142.8
<u>REPLENISHMENT TAX</u>		
Water Subject to Pump Tax(Apple Valley only) (KCcf)	474.4	470.3
Pump Tax, Within Rights	\$2.52 /AF	\$2.3
Pump Tax, Overpumping	\$167.00 /AF	\$31.5
Total Replenishment Cost	\$35.3	\$33.7
Total Chemical Cost	\$1.2	\$1.2

APPENDIX C

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Southern California Water Company Desert District - A.98-03-029

Adopted Quantities

<u>Number of Metered Services</u>	<u>Schedule DEM-1</u>		<u>Schedule DEV-1</u>	
	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>
Meter Size				
5/8 x 3/4 -inch meter	831	831	2,196	2,196
4-Mar	0	0	0	0
1	1	1	70	70
1/1/02	3	3	1	1
2	5	5	10	10
3	0	0	2	2
4	0	0	0	0
6	0	0	0	0
8	0	0	0	0
10	0	0	0	0
TOTAL METERED SERVICES	840	840	2,279	2,279
Schedule DEM-2H Flat				
	1999	2000		
Flat Services	5	5		
Total Metered Services - all tariffs	3,124	3,124		

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SOUTHERN CALIFORNIA WATER COMPANY
Desert District - A 98-03-029

Adopted Quantities

WATER CONSUMPTION

<u>Classification</u>	<u>Service Connection</u>		<u>Usage (CCF/CUST)</u>		<u>Consumption (KCCd)</u>	
METERED SERVICES:						
	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>
<u>Morongo</u>						
Commercial	832	832	122.5	122.5	101.9	101.9
Industrial	0	0	0.0	0.0	0.0	0.0
Public Authority	8	8	297.0	294.0	2.4	2.4
Irrigation	0	0	0.0	0.0	0.0	0.0
Reclaimed	0	0	0.0	0.0	0.0	0.0
Other	0	0	0.0	0.0	0.0	0.0

Total Metered	840	840			104.3	104.3
	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>
<u>Apple Valley</u>						
Commercial	2,277	2,277	161.8	160.0	368.4	364.3
Industrial	0	0	0.0	0.0	0.0	0.0
Public Authority	1	1	297.0	294.0	0.3	0.3
Irrigation	0	0	0.0	0.0	0.0	0.0
Resale	1	1	0.0	0.0	0.0	0.0
Other	0	0	0.0	0.0	0.0	0.0

Total Metered	2,279	2,279			368.7	364.6
Schedule DEM-2H Flat	<u>1999</u>	<u>2000</u>				
Flat Services	5	5				
PRIVATE FIRE PROTECTION	<u>3</u>	<u>3</u>				

TOTAL CONNECTIONS	3,127	3,127			473.0	468.9
UNACCOUNTED WATER	20.9%	21.0%			124.9	124.9
				
TOTAL WATER PRODUCTION					597.9	593.8
WELLS (KCCd)					597.9	593.8
					597.9	593.8

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Southern California Water Company
Desert District - A.98-03-029**Rate Base**
(Dollars in thousands)

	<u>1999</u>	<u>2000</u>
RATE BASE		
Utility Plant	10,121.5	10,908.8
Acquisition Adjustment	0.0	0.0
Total Utility Plant	10,121.5	10,908.8
Depreciation Reserve	(2,671.6)	(2,909.4)
Net Utility Plant	7,449.9	7,999.4
Material & Supplies	47.2	47.2
Advances for Construction	(164.7)	(171.7)
Contribution	(488.6)	(484.9)
Rate Base before Adjustment	6,843.8	7,390.0
ACRS & MACRS Depreciation	(877.6)	(888.3)
Investment Tax Credit	(55.0)	(52.7)
Capitalized Items	69.0	70.6
Sliver	(3.2)	(3.1)
Advances (Gross-Up)	22.5	21.8
Contributions (Gross-Up)	47.8	43.8
Deferred Revenues	(7.9)	(6.3)
Invest. in Other Water Companies	0.0	0.0
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	128.0	128.0
Common Utility Allocation	111.9	111.2
Weighted Average Rate Base	6,279.5	6,814.8

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Southern California Water Company Desert District - A.98-03-029

Income Tax Calculation

(Dollars in Thousands)

		<u>1999</u>	<u>2000</u>
Total Revenues		2,330.5	2,435.8
Purchased Power		143.4	142.8
Purchased Water		0.0	0.0
Pump Tax		35.3	33.7
Chemical		1.2	1.2
Payroll		411.5	428.6
O&M Others		272.0	278.1
A&G Others		152.1	155.8
Gen. Office		128.9	133.0
Ad Valorem Taxes		49.6	57.0
Payroll Taxes		33.4	34.8
Uncoll.	2.047%	47.7	49.9
Loc. Fran.	0.912%	21.3	22.2
Subtotal		1,296.4	1,337.1
Sched. M		771.1	816.4
Interest		248.0	267.1
Total Deductions		2,315.5	2,420.6
State Tax Depreciation		322.2	356.5
State Tax	8.84%	39.2	40.2
Fed. Tax Dépr.		30.1	39.1
Fed. Tax	35.00%	184.2	189.2
Net / Gross	1.83519		

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Southern California Water Company
Desert District - A.98-03-029

Comparison of typical bills for residential metered customers of various
usage level and average level at present and authorized rates for the year 1999.

Desert - Apple Valley
General Metered Service
(5/8 x 3/4 - Inch meters)

Monthly Usage	At Present Rates	At Authorized Rates	Percent Increase
(Cubic Feet)			
500	\$25.65	\$32.43	26.43%
1000	\$37.35	\$45.91	22.92%
1300 (Avg.)	\$44.37	\$54.00	21.70%
2000	\$60.75	\$72.87	19.95%
2500	\$72.45	\$86.35	19.19%
3000	\$84.15	\$99.83	18.63%
4000	\$107.55	\$126.79	17.89%
10000	\$247.95	\$288.55	16.37%

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Southern California Water Company
Metropolitan District - A.98-03-034

Adopted Quantities (Dollars in thousands)

	<u>1999</u>	<u>2000</u>
<u>PURCHASED POWER</u>		
WELLS:		
Total Production (KCcf)	10,026.0	10,026.0
Kwh per Ccf	1.3478	1.3478
SoCal. Edison		
Total Kwh	12,963,093	12,963,093
Unit Cost (\$/Kwhr)	0.000093	0.000093
Power Cost (wells)	\$1,212.0	\$1,212.0
DWP Electric:		
Total Kwh	549,750	549,750
Unit Cost (\$/Kwhr)	0.00011	0.00011
Power Cost	\$61.1	\$61.1
S. C. Gas		
Total therms	279.0	277.0
Unit Cost (\$/therm)	0.00205	0.00206
Power Cost	\$0.6	\$0.6
BOOSTERS:		
SoCal. Edison		
Total Production (KCcf)	30,844.0	30,627.7
Kwh per Ccf	0.03217	0.03217
Total Kwh	992,365	985,406
Unit Cost (\$/Kwhr)	0.000057	0.000057
Power Cost (boosters)	\$56.6	\$56.3
Total Purchased Power Cost	\$1,330.3	\$1,329.9

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Southern California Water Company
Metropolitan District - A.98-03-034

Adopted Quantities (Dollars in thousands)

			<u>1999</u>	<u>2000</u>
<u>PURCHASED WATER</u>		<u>\$/AF</u>	<u>KCcf</u>	<u>KCcf</u>
Central Basin MWD	7-98	\$468.00	5,518.8	5446.0
West Basin MWD	7-98	\$535.00	14,513.6	14,390.4
Central Basin Reclaimed 7-98				
0-25 AF		\$260.00	10.89	10.9
26-50		\$240.00	10.89	10.9
51-100		\$220.00	21.78	21.8
over		\$200.00	74.04	74.0
West Basin Reclaimed	7-98			
0-25 AF		\$280.00	10.89	10.9
26-50		\$260.00	10.89	10.9
51-100		\$240.00	21.78	21.8
101-200		\$220.00	43.56	43.6
Over		\$200.00	130.68	130.8
City of Cerritos	7-98	\$480.02	410.57	390.5
City of Inglewood	7-98	\$1,025.55	39.60	39.3
Total KCcf			20,818.0	20,601.7
Central Basin MWD \$			\$5,929.1	\$5,850.9
Service Charge		\$70/CFS	\$61.3	\$61.3
West Basin MWD \$			\$17,825.5	\$17,674.2
Service Charge		\$70/CFS	\$134.4	\$134.4
Central Basin Reclaimed \$			\$51.6	\$51.6
West Basin Reclaimed \$			\$98.2	\$98.2
City of Cerritos \$			\$452.4	\$430.3
City of Inglewood \$			\$93.2	\$92.5
Service Charge		\$344.70	\$16.5	\$16.5
Total Purchased Water Cost			\$24,662.3	\$24,410.0
<u>REPLENISHMENT TAX</u>				
Water Replenishment District				
Total Well Production (AF)		\$151.00 /AF	23,017	23,017
Total Replenishment Cost			\$3,475.6	\$3,475.6
Total Chemical Cost			\$310.6	\$317.4

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Southern California Water Company
Metropolitan District - 98-03-034

Adopted Quantities

<u>Number of Metered Services</u>	Schedule ME-1		Schedule ME-3	
	1999	2000	1999	2000
Meter Size				
5/8 x 3/4 -inch meter	78,781	78,826	0	0
4-Mar	1,251	1,252	0	0
1	8,915	8,920	0	0
1/1/02	2,993	2,995	0	0
2	3,703	3,705	6	6
3	126	126	18	18
4	74	74	7	7
6	40	40	3	3
8	27	27	1	1
10	0	0	0	0
TOTAL METERED SERVICES	95,910	95,965	35	35
 Total Metered Services - all tariffs	 95,945	 96,000		

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Southern California Water Company
Metropolitan District - A.98-03-034

Adopted Quantities

WATER CONSUMPTION

<u>Classification</u>	<u>Service Connection</u>	<u>Usage (CCF/CUST)</u>	<u>Consumption (KCcf)</u>			
METERED SERVICES :						
	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>		
Commercial	94,952	95,007	276.1	273.9	26,216.2	26,022.6
Industrial	259	259	2,714.4	2,692.8	703.0	697.4
Public Authority	675	675	2,883.4	2,860.5	1,946.3	1,930.8
Irrigation	13	13	1,097.9	1,089.2	14.3	14.2
Reclaimed	35	35	8,465.6	8,398.2	296.3	293.9
Other	11	11	195.8	194.2	2.2	2.1
	
Total Metered	95,945	96,000			29,178.30	28,961.00
PRIVATE FIRE PROTECTION	1492	1493				
	
TOTAL CONNECTIONS	97,437	97,493			29,178.3	28,961.0
UNACCOUNTED WATER	5.40%	5.40%			1,665.7	1,666.6
					
TOTAL WATER PRODUCTION					30,844.0	30,627.6
WELLS (KCcf)					10,026.0	10,026.0
PURCHASED WATER (KCcf)					20,482.6	20,266.3
RECLAIMED WATER (KCcf)					335.4	335.4
					30,844.0	30,627.7

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Southern California Water Company
Metropolitan District - A.98-03-034

Rate Base (Dollars in thousands)

	<u>1999</u>	<u>2000</u>
RATE BASE		
Utility Plant	178,255.2	200,643.8
Acquisition Adjustment	(8,321.1)	(8,321.1)
Total Utility Plant	169,934.1	192,322.7
Depreciation Reserve	(43,399.4)	(48,102.3)
Net Utility Plant	126,534.7	144,220.4
Material & Supplies	396.4	396.4
Advances for Construction	(9,667.8)	(10,257.2)
Contribution	(12,012.6)	(12,208.0)
Rate Base before Adjustment	105,250.7	122,151.6
ACRS & MACRS Depreciation	(8,369.1)	(9,660.4)
Investment Tax Credit	(568.9)	(556.3)
Capitalized Items	983.3	1,058.0
Sliver	(42.8)	(41.5)
Advances (Gross-Up)	1,083.3	1,049.2
Contributions (Gross-Up)	1,001.6	907.1
Deferred Revenues	(137.0)	(107.7)
Invest. In Other Water Companies	0.0	0.0
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	2,121.6	2,121.6
Common Utility Allocation	6,475.8	6,437.5
Weighted Average Rate Base	107,798.5	123,359.3

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SOUTHERN CALIFORNIA WATER COMPANY
Metropolitan District - A.98-03-034

Income Tax Calculations
(Dollars in Thousands)

		<u>1999</u>	<u>2000</u>
Total Revenues		67,383.1	69,819.2
Purchased Power		1,330.3	1,329.9
Purchased Water		24,662.3	24,410.0
Pump Tax		3,475.5	3,475.5
Chemical		310.6	317.4
Payroll		3,933.9	4,093.6
O&M Others		3,091.3	3,160.5
A&G Others		1,709.9	1,747.0
Gen. Office		6,299.3	6,501.7
Ad Valorem Taxes		1,257.0	1,416.2
Payroll Taxes		319.3	332.3
Uncoll.	0.748%	504.1	522.4
Loc. Fran.	1.197%	806.4	835.5
Subtotal		47,699.9	48,142.0
Sched. M		238.1	238.1
Interest		4,258.0	4,835.7
Total Deductions		52,196.0	53,215.8
State Tax Depreciation		5,367.4	5,367.4
State Tax	8.84%	934.4	928.5
Fed. Tax Depr.		609.0	674.3
Fed. Tax	35.00%	3,577.1	3,583.4
Net / Gross	1.81607		

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Southern California Water Company
Metropolitan District A.98-03-034

**Comparison of typical bills for residential metered customers of various
usage level and average level at present and authorized rates for the year 1999.**

General Metered Service
(5/8 x 3/4 - inch meters)

Monthly Usage	At Present Rates	At Authorized Rates	Percent Increase
(Cubic Feet)			
500	\$14.75	\$18.13	22.92%
1000	\$22.19	\$26.45	19.20%
1500	\$29.64	\$34.78	17.34%
2300 (Avg.)	\$41.55	\$48.10	15.76%
2500	\$44.53	\$51.43	15.50%
3000	\$51.97	\$59.75	14.97%
4000	\$66.86	\$76.40	14.27%
10000	\$156.20	\$176.30	12.87%

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Southern California Water Company
Ojai District - A.98-03-033

Adopted Quantities
(Dollars in thousands)

<u>PURCHASED POWER</u>		<u>1999</u>	<u>2000</u>
WELLS:			
Total Production (KCcf)		785.2	785.2
Kwh per Ccf		2.3234	2.3234
SoCal. Edison			
Total Kwh		1,824,398	1,824,398
Unit Cost (\$/Kwhr)		0.000083	0.000083
Power Cost (wells)		\$150.9	\$150.9
BOOSTERS:			
SoCal. Edison			
Total Production (KCcf)		991.9	989.8
Kwh per Ccf		0.18947	0.18947
Total Kwh		187,947	187,541
Unit Cost (\$/Kwhr)		0.000114	0.000114
Power Cost (boosters)		\$21.3	\$21.3
Total Purchased Power Cost		\$172.3	\$172.2
<u>PURCHASED WATER</u>	<u>\$/AF</u>	<u>KCcf</u>	<u>KCcf</u>
Casitas MWD - Re 7-98	\$357.63	175.7	173.9
Casitas MWD - Irr 7-98	\$122.40	31.0	31.0
Total KCcf		206.8	205.0
Casitas MWD - Resale		\$144.2	\$142.8
Service Charge	\$1,681.00	\$20.2	\$20.2
Casitas MWD - Irrigation		\$8.7	\$8.7
Total Purchased Water Cost		\$173.1	\$171.6
<u>REPLENISHMENT TAX</u>			
Water Replenishment District			
Total Well Production (AF)	\$6.00 /AF	1,803	1,803
Total Replenishment Cost		\$10.8	\$10.8
Total Chemical Cost		\$7.2	\$7.2

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Southern California Water Company
Ojai District - A.98-03-033

Adopted Quantities

<u>Number of Metered Services</u>	<u>Schedule OJ-1</u>		<u>Other Schedules</u>	
	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>
Meter Size				
5/8 x 3/4 -inch meter	1,826	1,829	5	5
4-Mar	191	192	1	1
1	504	505	2	2
1/1/02	67	67	0	0
2	142	143	5	5
3	2	2	0	0
4	1	1	0	0
6	1	1	0	0
8	0	0	0	0
10	0	0	0	0
TOTAL METERED SERVICES	2,734	2,740	13	13
Total Metered Services - all tariffs	2,747	2,753		

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Southern California Water Company
Ojai District - A.98-03-033

Adopted Quantities

WATER CONSUMPTION

<u>Classification</u>	<u>Service Connection</u>	<u>Usage (CCF/CUST)</u>	<u>Consumption (KCcf)</u>			
METERED SERVICES :						
	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>		
Commercial	2,709	2,715	307.6	306.2	833.3	831.3
Industrial	0	0	0.0	0.0	0.0	0.0
Public Authority	20	20	1,215.1	1,209.6	24.3	24.2
Irrigation	4	4	10,930.4	10,880.9	43.7	43.5
Reclaimed	14	14	753.2	749.8	10.5	10.5
Other	0	0	0.0	0.0	0.0	0.0
			
Total Metered	2,747	2,753			911.9	909.5
PRIVATE FIRE PROTECTION	25	25				
			
TOTAL CONNECTIONS	2,772	2,778			911.9	909.5
UNACCOUNTED WATER	8.1%	8.1%			80.1	80.2
					
TOTAL WATER PRODUCTION					992.0	989.7
WELLS (KCcf)					785.2	785.2
PURCHASED WATER (KCcf)					206.7	204.7
					992.0	989.7

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**Southern California Water Company
Ojai District - A.98-03-033****Rate Base
(Dollars in thousands)**

	<u>1999</u>	<u>2000</u>
RATE BASE		
Utility Plant	8,563.5	9,218.6
Acquisition Adjustment	0.0	0.0
Total Utility Plant	8,563.5	9,218.6
Depreciation Reserve	(1,585.9)	(1,707.1)
Net Utility Plant	6,977.6	7,511.5
Material & Supplies	15.5	15.5
Advances for Construction	(222.2)	(213.2)
Contribution	(307.6)	(306.5)
Rate Base before Adjustment	6,463.3	7,007.3
ACRS & MACRS Depreciation	(616.8)	(696.0)
Investment Tax Credit	(41.5)	(40.5)
Capitalized Items	60.8	62.0
Sliver	(5.7)	(5.5)
Advances (Gross-Up)	8.6	8.3
Contributions (Gross-Up)	31.4	28.3
Deferred Revenues	(4.2)	(3.2)
Invest. in Other Water Companies	0.0	0.0
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	84.1	84.1
Common Utility Allocation	158.7	157.5
Weighted Average Rate Base	6,138.8	6,602.4

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Southern California Water Company Ojai District - A.98-03--033

Income Tax Calculations

(Dollars in Thousands)

		<u>1999</u>	<u>2000</u>
Total Revenues		2,266.1	2,336.4
Purchased Power		172.3	172.2
Purchased Water		173.1	171.6
Pump Tax		10.8	10.8
Chemical		7.2	7.4
Payroll		340.9	354.7
O&M Others		155.1	158.6
A&G Others		101.5	103.9
Gen. Office		194.1	200.3
Ad Valorem Taxes		61.6	65.7
Payroll Taxes		27.7	28.2
Uncoll.	0.203%	4.6	4.7
Loc. Fran.	1.571%	35.6	36.7
Subtotal		1,284.5	1,314.8
Sched. M		12.6	12.6
Interest		242.5	258.8
Total Deductions		1,539.6	1,586.2
State Tax Depreciation		171.4	255.7
State Tax	8.84%	49.3	43.9
Fed. Tax Depr.		3.1	6.9
Fed. Tax	35.00%	193.9	187.5
Net / Gross	1.81282		

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Southern California Water Company
Ojai District - A.98-03-033

Comparison of typical bills for residential metered customers of various
usage level and average level at present and authorized rates for the year 1999.

General Metered Service
(5/8 x 3/4 - Inch meters)

Monthly Usage	At Present Rates	At Authorized Rates	Percent Increase
(Cubic Feet)			
500	\$16.31	\$21.60	32.47%
1000	\$23.48	\$29.80	26.90%
1500	\$30.66	\$37.99	23.93%
2300	\$37.83	\$46.19	22.09%
2600 (Avg)	\$48.20	\$57.87	20.06%
3000	\$55.11	\$65.66	19.13%
4000	\$72.39	\$85.13	17.59%
10000	\$176.07	\$201.95	14.70%

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Southern California Water Company
Orange County District - A.98-03-032

Adopted Quantities

(Dollars in Thousands)

	<u>1999</u>	<u>2000</u>
<u>PURCHASED POWER</u>		
WELLS:		
Total Production (KCcf)	8,064.5	8,064.5
Kwh per Ccf	1.1231	1.1231
SoCal. Edison		
Total Kwh	8,458,418	8,458,418
Unit Cost (\$/Kwhr)	0.000086	0.000086
Power Cost (wells)	\$723.3	\$723.3
City of Anaheim		
Total Kwh	598,860	598,860
Unit Cost (\$/Kwhr)	0.00009	0.00009
Power Cost	\$54.1	\$54.1
BOOSTERS:		
SoCal. Edison		
Total Production (KCcf)	12,474.9	12,479.5
Kwh per Ccf	0.2382	0.23820
Total Kwh	2,971,481	2,972,577
Unit Cost (\$/Kwhr)	0.000059	0.000059
Power Cost (boosters)	\$176.0	\$176.1
Total Purchased Power Cost	\$953.4	\$953.5

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Southern California Water Company
Orange County District - A.98-03-032

Adopted Quantities

(Dollars in Thousands)

<u>PURCHASED WATER</u>		<u>S/AF</u>	<u>KCcf</u>	<u>KCcf</u>
Orange County MWD	7-98	\$435.75	3,883.1	3887.0
East Orange County WD	7-98	\$410.00	504.5	505.0
City of Seal Beach	7-98	\$583.70	22.7	22.9
Total KCcf			4,410.3	4,415.0
Orange County MWD			\$3,884.3	\$3,888.2
Readiness to Serve		\$15,097.13	\$181.2	\$181.2
Maintenance Charge		\$1,825.00	\$21.9	\$21.9
East Orange County WD			\$474.4	\$474.8
City of Seal Beach			\$30.4	\$30.7
Service Charge		\$641.17	\$7.7	\$7.7
Sub- Total			\$4,599.3	\$4,604.0
Bloomfield (interest only)		\$1,941	\$23.3	\$23.3
Concerto (Loan Amortization)		\$2,227	\$26.7	\$26.7
Total Purchased Water Cost			\$4,649.3	\$4,654.0
<u>REPLENISHMENT TAX</u>				
Water Replenishment District				
Total Well Production (AF)		\$94.00 /AF	18,514	18,514
Total Replenishment Cost			\$1,740.3	\$1,740.3
Total Chemical Cost			\$131.4	\$134.3

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Southern California Water Company
Orange County District - A.98-03-032

Adopted Quantities

Number of Metered Services	Schedule OC-1		Schedule OC-3M	
	1999	2000	1999	2000
Meter Size				
5/8 x 3/4 -inch meter	30,937	31,150	0	0
4-Mar	967	974	0	0
1	5,571	5,610	0	0
1/1/02	632	637	0	0
2	1,655	1,666	3	3
3	47	47	0	0
4	18	18	0	0
6	39	40	0	0
8	17	17	0	0
10	0	0	0	0
TOTAL METERED SERVICES	39,883	40,159	3	3
Total Metered Services - all tariffs	39,886	40,162		

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Southern California Water Company
Orange County District - A.98-03-032

Adopted Quantities

WATER CONSUMPTION

<u>Classification</u>	<u>Service Connection</u>		<u>Usage (CCF/CUST)</u>		<u>Consumption (KCcf)</u>	
METERED SERVICES:						
	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>
Commercial	39,553	39,828	277.2	275.3	10,962.5	10,966.2
Industrial	19	19	1,413.0	1,403.7	26.8	26.7
Public Authority	277	278	2,813.3	2,794.8	779.3	777.0
Irrigation	27	27	2,345.2	2,329.8	63.3	62.9
Reclaimed	1	1	22,225.8	22,079.9	22.2	22.1
Other	9	9	2,027.2	2,013.9	18.2	18.1

Total Metered	39,886	40,162			11,872.4	11,873.0
 PRIVATE FIRE PROTECTION	516	520				

TOTAL CONNECTIONS	40,402	40,682			11,872.4	11,873.0
 UNACCOUNTED WATER	4.8%	4.9%			602.6	606.6
				
TOTAL WATER PRODUCTION					12,475.0	12,479.6
 WELLS (KCcf)					8,064.5	8,064.5
PURCHASED WATER (KCcf)					4,410.3	4,415.0
					12,475.0	12,479.6

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Southern California Water Company
Orange County District - A.98-03-032

RATE BASE (Dollars in Thousands)

	<u>1999</u>	<u>2000</u>
RATE BASE		
Utility Plant	66,488.3	73,284.1
Acquisition Adjustment	53.3	53.3
Total Utility Plant	66,541.7	73,337.4
Depreciation Reserve	(16,699.1)	(18,152.4)
Net Utility Plant	49,842.6	55,185.0
Material & Supplies	95.1	95.1
Advances for Construction	(7,258.8)	(6,975.0)
Contribution	(3,996.2)	(3,969.6)
Rate Base before Adjustment	38,682.7	44,335.5
ACRS & MACRS Depreciation	(3,963.3)	(4,506.0)
Investment Tax Credit	(421.6)	(414.1)
Capitalized Items	80.0	115.9
Sliver	(9.7)	(9.4)
Advances (Gross-Up)	686.7	664.6
Contributions (Gross-Up)	518.0	474.2
Deferred Revenues	(103.8)	(82.9)
Invest. in Other Water Companies	0.0	0.0
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	576.0	576.0
Common Utility Allocation	2,761.1	2,745.6
Weighted Average Rate Base	38,806.0	43,899.3

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Southern California Water Company
Orange County District - A.98-03-32

Income Tax Calculations (Dollars in Thousands)

		<u>1999</u>	<u>2000</u>
Total Revenues		21,615.0	22,464.5
Purchased Power		953.4	953.4
Purchased Water		4,649.4	4,654.0
Pump Tax		1,740.3	1,740.3
Chemical		131.4	134.3
Payroll		1,925.4	2,005.5
O&M Others		1,203.2	1,230.1
A&G Others		695.7	695.1
Gen. Office		2,554.3	2,636.4
Ad Valorem Taxes		320.3	349.5
Payroll Taxes		156.3	162.8
Uncoll.	0.288%	62.3	64.8
Loc. Fran.	1.049%	226.7	235.6
Subtotal		14,618.7	14,861.8
Sched. M		71.8	71.8
Interest		1,532.8	1,720.9
Total Deductions		16,223.3	16,654.5
State Tax Depreciation		1,762.0	2,304.5
State Tax	8.84%	307.2	296.3
Fed. Tax Depr.		346.1	358.6
Fed. Tax	35.00%	1,384.3	1,408.3
Net / Gross	1.8048		

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Southern California Water Company
Orange County District A.98-03-032

Comparison of typical bills for residential metered customers of various usage level and average level at present and authorized rates for the year 1999.

General Metered Service
(5/8 x 3/4 inch meters)

Monthly Usage	At Present Rates	At Authorized Rates	Percent Increase
(Cubic Feet)			
500	\$12.66	\$14.69	16.08%
1000	\$18.16	\$20.78	14.43%
1500	\$23.67	\$26.87	13.54%
2300 (Avg.)	\$32.47	\$36.61	12.75%
2500	\$34.68	\$39.05	12.62%
3000	\$40.18	\$45.14	12.34%
4000	\$51.19	\$57.32	11.97%
10000	\$117.25	\$130.40	11.22%

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Southern California Water Company
San Dimas District - A.98-03-030

Adopted Quantities
(Dollars in thousands)

	<u>1999</u>	<u>2000</u>
<u>PURCHASED POWER</u>		
WELLS:		
Total Production (KCcf)	2,727.2	2,727.2
Kwh per Ccf	1.2085	1.2085
SoCal. Edison		
Total Kwh	3,295,770	3,295,770
Unit Cost (\$/Kwhr)	0.000088	0.000088
Power Cost (wells)	\$290	\$290
BOOSTERS:		
SoCal. Edison		
Total Production (KCcf)	6,448.3	6,464.4
Kwh per Ccf	0.6655	0.6655
Total Kwh	4,291,104	4,301,796
Unit Cost (\$/Kwhr)	0.000087	0.000088
Power Cost (boosters)	\$375.0	\$377.4
Total Purchased Power Cost	\$665.2	\$667.6

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Southern California Water Company
San Dimas District - A.98-03-030

Adopted Quantities
(Dollars in thousands)

			<u>1999</u>	<u>2000</u>
<u>PURCHASED WATER</u>		<u>\$/AF</u>	<u>KCcf</u>	<u>KCcf</u>
TVMWD	7-98	\$431.00	2,014.1	2,030.2
Covina Irrigation - SCWC shar	7-98	\$85.00	28.2	28.2
Covina Irrigation - overproduct	7-98	\$340.85	260.1	260.1
Miramar Pipeline	7-98	\$421.00	1,306.8	1,306.8
Kirklen Lease		\$239.00	183.2	183.2
Total KCcf			3,609.2	3,625.4
TVMWD			\$1,992.9	\$2,008.9
Service Charge		\$2,604.28	\$31.3	\$31.3
Covina Irrigation - SCWC shares			\$5.5	\$5.5
Service Charge		\$5.00	\$0.3	\$0.3
Covina Irrigation - overproduction			\$203.5	\$203.5
Service Charge		\$5.00	\$3.0	\$3.0
Miramar Pipeline			\$1,263.0	\$1,263.0
Monthly Charge		\$6,130.00	\$73.6	\$73.6
Sub- Total			\$3,573.1	\$3,589.1
Kirklen Lease			\$100.5	\$100.5
Total Purchased Water Cost			\$3,673.5	\$3,723.9
<u>REPLENISHMENT TAX</u>				
Water Replenishment District				
SGWQA Assessment			\$48.4	\$48.4
Pump Tax, Within Rights		\$8.50 /AF	\$30.2	\$30.2
Pump Tax, Overpumping		\$255.15 /AF	\$465.2	\$465.2
Kirklen Lease		\$8.50 /AF	\$3.6	\$3.6
Surface water		\$8.50 /AF	\$2.2	\$2.2
Total Replenishment Cost			\$549.6	\$549.6
Total Chemical Cost			\$28.4	\$29.1

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Southern California Water Company San Dimas District - A.98-03-030

Adopted Quantities

<u>Number of Metered Services</u>	<u>Schedule SD-1</u>		<u>Other Schedules</u>	
	1999	2000	1999	2000
Meter Size				
5/8 x 3/4 -inch meter	6,442	6,483	0	0
4-Mar	4,306	4,333	1	1
1	4,053	4,080	2	2
1/1/02	152	153	0	0
2	595	599	5	5
3	9	9	0	0
4	13	13	0	0
6	6	6	1	1
8	4	4	0	0
10	0	0	0	0
TOTAL METERED SERVICES	15,580	15,680	9	9
* Contract Customer				
Total Metered Services - all tariffs	15,589	15,689		

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Southern California Water Company
San Dimas District - A.98-03-030

Adopted Quantities

WATER CONSUMPTION

<u>Classification</u>	<u>Service Connection</u>		<u>Usage (CCF/CUST)</u>		<u>Consumption (KCcf)</u>	
METERED SERVICES:						
	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>
Commercial	15,443	15,542	357.5	356.1	5,521.3	5,534.0
Industrial	3	3	515.4	513.3	1.5	1.5
Public Authority	134	135	2,707.1	2,696.0	362.7	364.0
Irrigation	8	8	1,397.4	1,391.8	11.2	11.1
Reclaimed	1	1	131,410.7	130,876.3	131.4	130.9
Other	0	0	0.0	0.0	0.0	0.0

Total Metered	15,589	15,689			6,028.2	6,041.6
 PRIVATE FIRE PROTECTION	 141	 142				

TOTAL CONNECTIONS	15,730	15,831			6,028.2	6,041.6
 UNACCOUNTED WATER	 6.5%	 6.5%			 420.1	 422.8
				
TOTAL WATER PRODUCTION					6,448.3	6,464.4
 WELLS (KCcf)					2,727.2	2,727.2
PURCHASED WATER (KCcf)					3,609.2	3,625.3
SURFACE WATER					111.9	111.9
					6,448.3	6,464.4

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Southern California Water Company
San Dimas District - A.98-03-030**RATE BASE**
(Dollars in Thousands)

	<u>1999</u>	<u>2000</u>
RATE BASE		
Utility Plant	41,398.5	43,718.2
Acquisition Adjustment	0.0	0.0
Total Utility Plant	41,398.5	43,718.2
Depreciation Reserve	(10,876.0)	(11,848.4)
Net Utility Plant	30,522.5	31,869.8
Material & Supplies	86.5	86.5
Advances for Construction	(5,491.6)	(5,365.9)
Contribution	(1,798.1)	(1,821.6)
Rate Base before Adjustment	23,319.3	24,768.8
ACRS & MACRS Depreciation	(3,062.2)	(3,365.1)
Investment Tax Credit	(379.5)	(373.8)
Capitalized Items	225.7	228.5
Sliver	(7.0)	(6.8)
Advances (Gross-Up)	504.7	487.2
Contributions (Gross-Up)	121.2	109.2
Deferred Revenues	(17.0)	(13.3)
Invest. in Other Water Companies	12.8	12.8
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	(427.2)	(427.2)
Common Utility Allocation	821.5	815.2
Weighted Average Rate Base	21,112.5	22,235.5

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Southern California Water Company San Dimas District - A.98-03-030

Income Tax Calculations (Dollars in Thousands)

		<u>1999</u>	<u>2000</u>
Total Revenues		12,399.1	12,740.1
Purchased Power		655.2	667.6
Purchased Water		3,673.5	3,723.9
Pump Tax		549.6	549.6
Chemical		28.4	41.8
Payroll		1,167.5	1,220.4
O&M Others		636.9	651.2
A&G Others		206.0	215.3
Gen. Office		1,030.9	1,064.0
Ad Valorem Taxes		348.0	368.6
Payroll Taxes		94.8	99.1
Uncoll.	0.328%	40.7	41.8
Loc. Fran.	0.980%	121.5	124.9
Subtotal		8,553.0	8,768.2
Sched. M		10.8	10.8
Interest		833.9	871.6
Total Deductions		9,397.7	9,650.6
State Tax Depreciation		1,129.2	1,295.6
State Tax	8.84%	154.0	149.1
Fed. Tax Dépr.		88.4	115.9
Fed. Tax	35.00%	647.3	645.3
Net / Gross	1.80428		

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Southern California Water Company
San Dimas District - A.98-03-030

Comparison of typical bills for residential metered customers of various usage level and average level at present and authorized rates for the year 1999.

General Metered Service
(5/8 x 3/4 - Inch meters)

Monthly Usage	At Present Rates	At Authorized Rates	Percent Increase
(Cubic Feet)			
500	\$15.81	\$17.68	11.83%
1000	\$22.62	\$24.96	10.34%
1500	\$29.43	\$32.24	9.55%
2300	\$40.33	\$43.89	8.83%
2500	\$43.05	\$46.80	8.71%
3000 (Avg.	\$49.86	\$54.08	8.46%
4000	\$63.48	\$68.64	8.13%
10000	\$145.20	\$156.00	7.44%

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Southern California Water Company
San Gabriel District - A.98-03-031**Adopted Quantities**
(Dollars in Thousands)

	<u>1999</u>	<u>2000</u>
<u>PURCHASED POWER</u>		
WELLS:		
Total Production (KCcf)	3,215.9	3,215.9
Wells Production - Electric (KCcf)	3,081.2	3,081.2
Wells Production - Gas (KCcf)	134.8	134.8
SoCal. Edison		
Kwh per Ccf	1.5325	1.5325
Total Kwh	4,721.8	4,721.8
Unit Cost (\$/Kwh)	0.085901	0.085182
Power Cost (wells)	\$405.6	\$402.2
SoCal Gas		
Total therms	27,966	27,963
Unit Cost (\$/therm)	0.460	0.460
Total Gas Cost	\$12.9	\$12.9
BOOSTERS:		
SoCal. Edison		
Total Production (KCcf)	3,248.6	3,227.3
Kwh per Ccf	0.04717	0.04717
Total Kwh	153,232	152,225
Unit Cost (\$/Kwhr)	0.000096	0.000097
Power Cost (boosters)	\$14.8	\$14.7
Total Purchased Power Cost	\$433.3	\$429.8

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Southern California Water Company
San Gabriel District - A.98-03-031**Adopted Quantities**
(Dollars in Thousands)

			<u>1999</u>	<u>2000</u>
<u>PURCHASED WATER</u>	<u>\$/AF</u>	<u>KCcf</u>		<u>KCcf</u>
City of Arcadia - 7-98	\$701.32	19.7		6.2
City of Arcadia - 7-98	\$466.09	11.6		3.7
Upper San Gabi 7-98	\$452.55	1.4		1.4
Total KCcf		32.8		11.4
City of Arcadia - Short St connection		\$31.7		\$10.0
Service Charge - Bi-month	\$94.88	\$0.6		\$0.6
City of Arcadia - Longden connection		\$12.4		\$3.9
Upper San Gabriel Valley		\$1.5		\$1.5
Service Charge	\$25.00	\$0.3		\$0.3
Total Purchased Water Cost		\$46.4		\$16.9
<u>REPLENISHMENT TAX</u>				
SGWQA Assessment		\$72.1		\$72.1
Pump Tax, Within Rights	\$8.50 /AF	\$47.2		\$47.2
Pump Tax, Overpumping	\$255.15 /AF	\$467.6		\$467.6
Total Replenishment Cost		\$586.9		\$586.9
Total Chemical Cost		\$26.7		\$27.3

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**Southern California Water Company
San Gabriel District - A.98-03-031**

Adopted Quantities

<u>Number of Metered Services</u>	<u>Schedule SG-1</u>	
	<u>1999</u>	<u>2000</u>
Meter Size		
5/8 x 3/4 -inch meter	9,858	9,858
4-Mar	1	1
1	1,341	1,341
1/1/02	134	134
2	251	251
3	3	3
4	1	1
6	3	3
8	0	0
10	0	0
TOTAL METERED SERVICES	11,592	11,592
Total Metered Services - all tariffs	11,592	11,592

APPENDIX C
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Southern California Water Company
San Gabriel District - A.98-03-031

Adopted Quantities

WATER CONSUMPTION

<u>Classification</u>	<u>Service Connection</u>		<u>Usage (CCF/CUST)</u>		<u>Consumption (KCcf)</u>	
METERED SERVICES :						
	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>
Commercial	11,501	11,501	248.2	246.4	2,854.7	2,834.2
Industrial	8	8	1,960.2	1,946.1	15.7	15.6
Public Authority	82	82	1,159.9	1,151.5	95.1	94.4
Irrigation	0	0	0.0	0.0	0.0	0.0
Reclaimed	0	0	0.0	0.0	0.0	0.0
Other	1	1	585.8	581.6	0.6	0.6
	-----	-----			-----	-----
Total Metered	11,592	11,592			2,966.0	2,944.8
 PRIVATE FIRE PROTECTION	56	56				
	-----	-----			-----	-----
TOTAL CONNECTIONS	11,648	11,648			2,966.0	2,944.8
 UNACCOUNTED WATER	8.7%	8.8%			282.5	282.5
					-----	-----
TOTAL WATER PRODUCTION					3,248.5	3,227.3
 WELLS (KCcf)					3,215.9	3,215.9
PURCHASED WATER (KCcf)					32.8	11.4
					-----	-----
					3,248.5	3,227.3

APPENDIX C

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Southern California Water Company
San Gabriel District - A.98-03-031**RATE BASE**
(Dollars in Thousands)

	<u>1999</u>	<u>2000</u>
RATE BASE		
Utility Plant	20,315.0	21,635.9
Acquisition Adjustment	0.0	0.0
Total Utility Plant	20,315.0	21,635.9
Depreciation Reserve	(4,980.8)	(5,539.4)
Net Utility Plant	15,334.2	16,096.5
Material & Supplies	34.3	34.3
Advances for Construction	(1,122.6)	(1,095.3)
Contribution	(764.8)	(756.7)
Rate Base before Adjustment	13,481.1	14,278.8
ACRS & MACRS Depreciation	(1,651.9)	(1,809.3)
Investment Tax Credit	(162.8)	(158.6)
Capitalized Items	121.6	123.1
Sliver	(2.2)	(2.1)
Advances (Gross-Up)	86.4	83.5
Contributions (Gross-Up)	57.9	51.9
Deferred Revenues	(6.5)	(4.9)
Invest. in Other Water Companies	0.0	0.0
Deferred Rate Case Expenses	0.0	0.0
Allowance for Working Cash	(83.9)	(83.9)
Common Utility Allocation	488.7	485.0
Weighted Average Rate Base	12,328.6	12,963.5

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Southern California Water Company
San Gabriel district A.98-03-031

Income Tax Calculations
(Dollars in Thousands)

		<u>1999</u>	<u>2000</u>
Total Revenues		5,639.1	5,765.6
Purchased Power		433.3	429.8
Purchased Water		46.4	16.9
Pump Tax		586.9	586.9
Chemical		26.7	27.3
Payroll		732.4	769.4
O&M Others		406.3	415.4
A&G Others		140.8	143.9
Gen. Office		613.3	633.0
Ad Valorem Taxes		227.0	243.7
Payroll Taxes		59.4	62.5
Uncoll.	0.288%	22.9	23.4
Loc. Fran.	1.049%	84.0	85.9
Subtotal		3,379.4	3,438.1
Sched. M		19.2	19.2
Interest		487.0	508.2
Total Deductions		3,885.6	3,965.5
State Tax Depreciation		520.8	660.0
State Tax	8.84%	102.7	94.6
Fed. Tax Dépr.		70.6	84.0
Fed. Tax	35.00%	389.4	368.7
Net / Gross	1.8048		

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Southern California Water Company
San Gabriel District - A.98-03-031

Comparison of typical bills for residential metered customers of various
usage level and average level at present and authorized rates for the year 1999.

General Metered Service
(5/8 x 3/4 - inch meters)

Monthly Usage	At Present Rates	At Authorized Rates	Percent Increase
(Cubic Feet)			
500	\$13.77	\$17.31	25.75%
1000	\$18.73	\$22.97	22.64%
1500	\$23.70	\$28.63	20.83%
2100 (Avg.)	\$29.65	\$35.42	19.46%
2500	\$33.63	\$39.95	18.81%
3000	\$38.59	\$45.61	18.19%
4000	\$48.52	\$56.93	17.33%
10000	\$108.10	\$124.85	15.49%

(END OF APPENDIX C)

APPENDIX D

APPENDIX D
BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

In the matter of the Applications of the)	Application Nos. 98-03-029
Southern California Water Company)	98-03-030
(U 133 W) for an order authorizing it)	98-03-031
to increase rates for water service in)	98-03-032
its Desert Service Area, et al.)	98-03-033
	98-03-034

(Filed March 18, 1998)

STIPULATION

1.00 Introduction

1.01 This Stipulation resolves all issues other than Rate of Return in the matter of the applications of Southern California Water Company (SCWC) for an increase in its general rates in the following Customer Service Areas (CSA):

A. 98-03-029	Desert
A. 98-03-030	San Dimas
A. 98-03-031	San Gabriel
A. 98-03-032	Orange County
A. 98-03-033	Ojal
A. 98-03-034	Metropolitan

1.02 The parties to this Stipulation are SCWC, the Rate Payer Representation Branch (RRB) of the Water Division, and Bruce E. Cash of United Strategies, Inc., on behalf of Morongo Valley Chamber of Commerce Citizens for Affordable Water Committee, collectively referred to as the "Parties".

1.03 RRB conducted an independent review of SCWC's applications. As part of this review, public participation hearings were held in Morongo, Los Angeles, Ojal, and Apple Valley. Addition public meetings presided over by the RRB were held in Metropolitan and Orange County. In conclusion of that review, RRB submitted reports, dated July, 1998, indicating areas of disagreement with SCWC's applications. Subsequently, the Parties held a conference to discuss differences between SCWC's applications and RRB's reports. Those negotiations resulted in the resolution of all issues between the Parties, except for Rate of Return.

1.04 In summary, the annual increases proposed by the Parties will be a function of the Rate of Return found reasonable in the proceeding. All other items are identified individually.

1.05 The mechanics of the calculation of the allowance to offset financial attrition are not disputed. Financial attrition will be determined in the final decision.

1.06 Attached to this Stipulation are the following appendices showing the calculations, quantities, and rates that have been agreed to by the Parties:

Appendix A -- Summary of Earnings

Appendix B -- Supporting Calculations

Appendix C -- General Office

Only areas of difference between the Parties are specifically addressed in the Stipulation. All items relating to cost of service, including those discussed, are represented in Appendices A through C, using RRB's and SCWC's reports as supporting documentation.

1.07 The Parties agree that no signatory to this Stipulation nor any member of RRB of the Commission assumes any personal liability as a result of this Stipulation. The Parties agree that no legal action may be brought in any state or federal court or in any other forum against any individual signatory representing the interests of RRB, attorneys representing RRB, or RRB itself involving any matter related to this Stipulation. All rights and remedies of the Parties are limited to those available before the Commission.

2.00 Advice Letter

Advice Letter No. 1027-W, San Gabriel CSA (Attrition), for an increase of \$148,400, or 3.12%, effective May 1, 1998, was filed by SCWC subsequent to its Application.

3.00 Stipulated Items - Ratebase

3.01 Vehicles - - The parties agree to adopt RRB's policy of replacing vehicles with miles exceeding 100,000 at the end of each test year. SCWC's workpapers included proposed replacements, together with current year mileage. The table below shows the vehicles at or near 100,000 which the Parties agree should be replaced in the year indicated:

<u>Area</u>	<u>1999</u>	<u>2000</u>
General Office	1	3
Metropolitan	2	8
Orange Co.	0	2
San Dimas	0	0
San Gabriel	0	1
Desert	0	2
Total Vehicles	3	16

- 1.) Weighting of Plant - - Parties agree to the following percentages for the weighting of plant based on historical levels of plant in service:

Desert	52%
San Dimas	43%
San Gabriel	43%
Orange County	43%
Ojai	47%
Metropolitan	43%

- 2.) Upgrade of Electrical Codes - - The Parties agree that RRB has reviewed upgrades to electrical codes and believe that they do not present any issue of safety. Therefore, SCWC agrees to adjust Metropolitan's Ratebase by \$120,000 for 1998, 1999, and 2000, and to adjust Orange County's Ratebase by \$80,000 for 1998 and \$100,000 for 1999..

4.00 Metropolitan

Plant - - The Parties agree to remove the following proposed plant:

- \$500,000 for test years 1999 and 2000 (general reduction)
- \$1,950 in test year 1999 (Direct TV satellite)

5.00 Orange County

Reservoir - - Parties agree that, due to the magnitude and the extended timeline of the project, the following amounts and periods for recovery, as set forth in SCWC's application, should be adopted in association with the cost of construction of the reservoir:

- \$150,000, preliminary work in 1998;
- \$1,000,000, second phase in 1999;
- \$1,500,000, third phase in 2000; and
- and the remaining \$1,500,000 to be reflected in rates through an Advice Letter in years 2000 - 2001 upon completion. Any expenditure over \$1,650,000 would be included in the subsequent GRC.

6.00 Desert

Treatment of Uranium - - The Parties agree that SCWC would use a grant, if available, in the amount of \$500,000 which may be provided through the Environmental Protection Agency by the Lewis Funding Bill now before the House of Representatives to construct the

treatment plant. The Parties agree that the treatment plant may be reflected in rates upon completion in 1999 or later through an Advice Letter if the funding has not been received prior to completion of the project. Any expenditure exceeding \$500,000 would be included in a subsequent GRC.

Aeration Facility - - The Parties agree that water quality is a priority. The Parties agree that SCWC's engineering estimate of \$630,000 is reasonable for the aeration facility and should be reflected in rates upon completion through an Advice Letter. The Parties agree that any expenditure exceeding \$693,000 would be included in a subsequent GRC.

7.00 Sales

7.01 Usage - - The Parties agree that the following estimates of Ccf per customer per year are reasonable:

	<u>SCWC</u>	<u>Stipulation</u>	<u>RRB</u>
Metropolitan	277	278.3	278.3
Orange Co.	273	279	285.7
San Gabriel	245.4	250	256.7
San Dimas	361	359	363
Desert	153	153	153
Ojai	309	309	309

8.00 General Office - Expenses

8.01 Injuries and Damages - - The Parties agree to use SCWC's forecast of \$1,661,900 for 1999 and \$1,699,100 for 2000. The Parties agree that SCWC's forecast, based on current activity, represents a better estimate than the use of an historical average. The year 2000 estimate reflects the inflationary impact based on Established Factors (see definition 17.05).

8.02 Pension and Benefits - - The Parties agree to use SCWC's forecast of \$4,971,700 for 1999 and \$5,083,000 for 2000, which include the removal \$125,000 for activities sponsored by SCWC. The Parties agree that SCWC's forecast, based on current activity, represents a better estimate than the use of an historical average. The year 2000 estimate reflects the inflationary impact based on Established Factors.

8.03 Labor - - The Parties agree to SCWC's forecast of labor with a reduction in overtime to \$20,000, resulting in \$5,444,300 for 1999 and \$5,667,500 for 2000. The forecast is based on SCWC's actual payroll and the number of employees. No additional employees were requested in this application.

9.00 General Office - Ratebase

SCWC originally requested ten printers in ratebase for the General Office. The Parties agree to leave one printer in the General Office and transfer nine printers to the following regions and districts:

<u>Printers</u>	<u>No.</u>	<u>Amount</u>	<u>Year</u>
Region I	2	\$15,588	1998
Region II	1	\$7,794	1998
Metropolitan	2	\$15,588	1998
Orange Co.	1	\$7,794	1998
Region III	1	\$7,794	1998
Mtn. Desert	1	\$7,794	1998
Foothill	1	<u>\$7,794</u>	1998
		\$62,352	

The Parties also agree on the following matters:

- inclusion of \$7,794 in 1998 (one printer for the General Office)
- inclusion of \$17,975 for 1998 (document storing equipment)
- removal of \$5,410 in 1998 (Human Resources laptop)
- inclusion of \$62,500 in 1998, \$46,880 in 1999, and \$67,650 in 2000 (development of training modules)
- inclusion of \$60,891 in 1998 (upgrades to Windows98)
- inclusion of \$54,356 in 1999 and 2000 (upgrade to billing system)
- removal of \$70,360 in 1999 (upgrades to workstations)
- inclusion of \$148,000 in 2000 (mobile computing).

10.00 Administrative & General Expenses

The Parties agree to the following expenses for test years 1999 and 2000 based on activity in 1996. The increase from 1999 to 2000 reflects the inflationary impact based on Established Factors:

Metropolitan

<u>1999</u>	<u>2000</u>	<u>Item</u>
\$640,700	\$655,000	Office supplies
\$15,200	\$15,500	Business meals
\$231,000	\$236,200	Outside Services

San Dimas

\$108,200	\$110,600	Office Supplies
\$13,300	\$13,600	Pension & Benefits

San Gabriel			
\$64,400	\$66,300	Office Supplies	
\$7,400	\$7,600	Pension & Benefits	

11.00 Uncollectibles

The Parties agree to SCWC's revised uncollectible rates based on the amount of uncollectibles sent to collection less the amount recovered:

Metro	.748%
Orange	.288%
Ojai	.203%
San Dimas	.328%
San Gabriel	.406%
Desert	2.047%

12.00 Labor

12.01 District - - The Parties agree to use SCWC's forecast of expenses of Operations, Maintenance, and Administrative and General, based on the average of the last three years' capital prorates from the districts, including adjustments for equity and overtime. The forecast is based on SCWC's actual payroll and number of employees. No additional employees were requested in this application:

<u>1999</u>	<u>Operation</u>	<u>Maintenance</u>	<u>A&G</u>
Metro	\$1,857,400	\$1,427,800	\$648,700
Orange	\$1,196,900	\$359,200	\$369,300
Ojai	\$220,300	\$76,300	\$44,300
San Dimas	\$684,200	\$354,100	\$129,200
San Gabriel	\$437,400	\$196,900	\$98,100
Desert	\$266,000	\$76,000	\$66,500

<u>2000</u>	<u>Operation</u>	<u>Maintenance</u>	<u>A&G</u>
Metro -	\$1,932,800	\$1,485,700	\$675,100
Orange -	\$1246,600	\$374,200	\$384,700
Ojai -	\$229,300	\$79,400	\$46,000
San Dimas	\$716,200	\$370,200	\$135,000
San Gabriel	\$459,500	\$206,800	\$103,100
Desert -	\$279,100	\$79,700	\$69,800

13.00 Operational Expenses

SCWC proposed that the latest recorded year be inflated and RRB proposed that the average of the last five historical years be used. The Parties agree that a reasonable forecast is an average of four years

plus inflation for Orange County and an average of five years plus inflation for the remaining districts, as shown below:

	<u>1999</u>	<u>2000</u>
Metro	\$907,300	\$927,600
Orange	438,200	448,000
Ojai	52,600	53,800
San Dimas	164,700	168,400
San Gabriel	84,300	86,200
Desert	<u>77,000</u>	<u>78,700</u>
Total	\$1,724,100	\$1,762,700

14.00 All Other Expenses of Maintenance

SCWC requested \$4.8 million, of which \$2.9 million related to planned programs. RRB recommended \$2.7 million. The Parties agree to add \$1,298,700 to RRB's \$2,742,000 for a total of \$4,040,700 in order to allow a portion of the planned programs. The Parties agree to the following expenses:

	<u>1999</u>	<u>2000</u>
Metro	\$2,184,000	\$2,232,900
Orange	765,000	782,100
Ojai	102,500	104,800
San Dimas	472,200	482,800
San Gabriel	322,000	328,200
Desert	<u>195,000</u>	<u>199,400</u>
	\$4,040,700	\$4,130,200

15.00 Supply

15.01 Chemicals - - The Parties agree that the established index of inflation should be applied to chemicals. Therefore, the Parties agree that the following amounts for 1999 should be adopted, and that increases from 1999 to 2000 should reflect the inflationary impact based on Established Factors:

	<u>1999</u>
Metro	\$310,600
Orange	131,400
Ojai -	7,200
San Dimas	28,400
San Gabriel	26,700
Desert -	\$1,200

- 15.02 Electrical Usage - - The Parties agree to use RRB's estimates of KWH/CCF:

	<u>KWH/CCF</u>
Metro	1.34778
Orange	1.12309
Ojai -	2.32335
San Dimas	1.20849
San Gabriel	1.53246
Desert -	1.56847

- 15.03 Electric Deregulation - - The Parties agree that, since SCWC is not presently offered a discount on purchased power, a reduction of 10% is not appropriate at this time. When a reduction in purchased power is realized, the savings will flow to customers through the Supply Cost Balancing Account as they occur.

16.00 Supply

A combination of historical usage, expected developments, and constraints on systems was used to determine the level of production from wells. Any additional requirements will be supplied through purchases. The Parties agree that this method acknowledges constraints and sets the volumes from wells and other sources for the development of costs in the test years and for pro-forma purposes, rather than using a specific mix. The Parties agree that a percentage of the supply should not be applied to demand in future years. For purposes of this settlement, costs of supply shall be based on amount produced, not on a percentage. The Parties agree to the following Ccfs:

<u>District</u>	<u>Well</u>	<u>Surface</u>	<u>Purchased</u>	<u>Total</u>
Metropolitan	10,026,000		20,818,000	30,844,001
Orange Co.	8,064,508		4,410,360	12,474,868
San Dimas	2,727,200	111,900	3,609,182	6,448,282
San Gabriel	3,215,930		32,676	3,248,606
Desert	597,908		0	597,908
Ojai	785,246		206,695	991,941

17.00 Common Issues

- 17.01 Inflation - - The Parties agree that the indices for Inflation available on October 1, 1998, should be used to develop the final decision for these applications.

- 17.02 Rates Charged for Purchased Water - - The Parties agree that the rates in effect on October 1, 1998, should be used to calculate the expense of supply identified in the final decision for these applications.
- 17.03 Balancing Accounts - - The Parties agree that the Supply Cost Balancing Accounts for Ojai, Metropolitan, Orange County, San Dimas, San Gabriel, and Desert should be reviewed for amortization through September 30, 1998. The Parties also agree to the continuation of those accounts. Any memorandum account for which SCWC seeks amortization through this application should be forwarded to RRB with the corresponding Supply Cost Balancing Account.
- 17.04 The Costs of Replacing Infrastructure - - The Parties agree to a modified Infrastructure Replacement Program. The Parties agree that SCWC should have the option of extending the Metropolitan's rates through the year 2003. The costs of replacing infrastructure could be recovered through Advice Letter in 2001, 2002, and 2003. An increase in authorized expenses during the extended period would be allowed based on the most current Price Index (as defined in 17.06). The Parties agree to a band on earnings of 200 basis points either way. Advice Letters will be subject to the revised pro forma test on earnings which will be determined at a later date.
- 17.05 Established Factors - - Established Factors will be comprised of the following factors, which are published on a monthly basis: 1) the Compensation Per Hour Index, and, 2) the Non-Labor Index (both published in a memo from the ORA Monopoly Regulation Branch to the Water Division of the Commission).
- 17.06 Price Index - Infrastructure Replacement - - The Price Index will be comprised of the following three factors, which are published on a monthly basis: 1) the Compensation Per Hour Index, 2) the Non-Labor Index (both published in a memo from the ORA Monopoly Regulation Branch to the Water Division of the Commission, 3) the Construction Cost Index as printed in Engineering & News Reports. Each factor is weighted one-third. The Price Index will determine the maximum change from the prior year's rates.
- 17.07 General Office - - The Parties agree that SCWC's proposal for the recovery of costs of the General Office should be adopted subject to the revised pro forma test on earnings which will be determined at a later date.

- 17.08 Revised Pro Forma Test on Earnings -- The Parties agree that step increases and attrition allowances should be based on the revised pro forma test on earnings, which will be determined at a later date.

Dated: August 25, 1998

R. Donald McCre
R. DONALD McCREA
Rate Payer Representation Branch
California Public Utilities Commission

Dated: August 25, 1998

Bruce E. Cash / ysa
BRUCE E. CASH
United Strategies, Inc., on behalf
of Morongo Valley Chamber of
Commerce Citizens for Affordable
Water Committee

Dated: August 24, 1998

Susan L. Conway
SUSAN L. CONWAY
Vice President, Regulatory Affairs
Southern California Water Co.

by Roland A. Janner

A.98-03-029, et al. ALJ/GEW/avs[†]

ATTACHMENT A

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
METROPOLITAN DISTRICT - A-98-03-034

TEST YEAR 1999

SUMMARY OF EARNINGS	Original Application	Increase	Final Applicant	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Operating Revenues	57,482.3	141.3	57,623.6	0.0	57,623.6	2.8	57,620.8
Oper. & Maint. Expenses							
Purchased Water	25,018.9	(356.6)	24,662.3	0.0	24,662.3	1,166.5	23,495.8
Purchased Power	1,211.5	118.8	1,330.3	0.0	1,330.3	67.0	1,263.3
Pump Taxes	3,271.7	203.8	3,475.5	0.0	3,475.5	(310.1)	3,785.6
Chemicals	289.9	20.7	310.6	0.0	310.6	(23.2)	333.8
Common Cust Alloc	1,128.6	(33.1)	1,095.5	0.0	1,095.5	9.3	1,086.2
Postage	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncollectibles	494.6	(63.5)	431.1	0.0	431.1	116.4	314.7
Oper-Labor	1,948.0	(90.6)	1,857.4	0.0	1,857.4	888.0	969.4
Oper-Others	920.9	(13.6)	907.3	0.0	907.3	0.0	907.3
Maint-Labor	1,497.4	(69.6)	1,427.8	0.0	1,427.8	597.4	830.4
Maint-Others	2,769.3	(585.3)	2,184.0	0.0	2,184.0	530.1	1,653.9
A&G Expenses							
Office Supplies	720.6	(79.9)	640.7	0.0	640.7	285.7	355.0
Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Injuries & Damages	8.5	0.1	8.6	0.0	8.6	0.1	8.5
Pension & Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Business Meals	22.0	(6.8)	15.2	0.0	15.2	5.9	9.3
Regulatory Comm	162.0	(6.3)	155.7	0.0	155.7	0.0	155.7
Outside Services	283.7	(52.7)	231.0	0.0	231.0	44.3	186.7
Misc	125.4	0.0	125.4	0.0	125.4	0.0	125.4
Alloc Gen Office	6,484.8	(212.8)	6,272.0	0.0	6,272.0	196.0	6,076.0
Maintenance	104.3	0.0	104.3	0.0	104.3	0.0	104.3
Rent	418.2	0.6	418.8	0.0	418.8	66.6	362.2
A&G Labor	680.4	(31.7)	648.7	0.0	648.7	240.6	408.1
Other Taxes							
Property Taxes	1,257.7	(0.7)	1,257.0	0.0	1,257.0	0.1	1,256.9
Payroll Taxes	334.9	(15.6)	319.3	0.0	319.3	62.6	256.7
Local Taxes	687.9	1.7	689.6	0.0	689.6	3.6	686.0
Depreciation	4,342.2	(2.8)	4,339.4	0.0	4,339.4	0.6	4,338.8
Income Taxes	(274.8)	628.8	354.0	0.0	354.0	(1,618.6)	1,972.6
Total Expenses After Taxes	53,908.6	(647.1)	53,261.5	0.0	53,261.5	2,318.9	50,942.6
Net Operating Revenues	3,573.7	788.5	4,362.2	0.0	4,362.2	(2,316.0)	6,678.2
Rate Base	110,225.0	(2,408.0)	107,817.0	0.0	107,817.0	1,067.5	106,749.5
Rate of Return	3.24%		4.05%	0.0%	4.05%		6.26%

AT PROPOSED RATES:

Operating Revenues	70,624.1	(1,851.2)	68,772.9	3,269.9	65,503.0	4,373.3	61,129.7
Uncollectibles	607.6	(93.1)	514.5	24.4	490.1	156.3	333.8
Local Taxes	845.8	(22.8)	823.0	39.1	783.9	52.2	731.7
Income Taxes	5,367.7	(220.8)	5,146.9	1,405.8	3,741.1	258.7	3,482.4
Total Expenses After Taxes	59,822.0	(1,650.8)	58,271.2	1,469.3	56,801.9	4,284.7	52,517.2
Net Operating Revenues	10,802.1	(300.4)	10,501.4	1,800.5	8,700.8	88.6	8,612.5
Rate Base	110,225.0	(2,408.0)	107,817.0	0.0	107,817.0	1,067.5	106,749.5
Rate of Return	9.80%		9.74%		8.07%		8.07%

**RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
METROPOLITAN DISTRICT - A-98-03-034**

TEST YEAR 2000

SUMMARY OF EARNINGS	Original Application	Increase	Final Applicant	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Operating Revenues	57,159.9	140.1	57,300.0	0.0	57,300.0	(198.5)	57,498.5
Oper. & Maint. Expenses							
Purchased Water	24,788.6	(378.6)	24,410.0	0.0	24,410.0	1,077.9	23,332.1
Purchased Power	1,211.2	118.7	1,329.9	0.0	1,329.9	94.1	1,235.8
Pump Taxes	3,271.7	203.8	3,475.5	0.0	3,475.5	(282.9)	3,758.4
Chemicals	298.6	18.8	317.4	0.0	317.4	(18.8)	336.2
Common Cust Alloc	1,160.2	(34.5)	1,125.7	0.0	1,125.7	18.6	1,107.1
Postage	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncollectibles	491.9	(63.2)	428.7	0.0	428.7	114.7	314.0
Oper-Labor	2,037.6	(104.8)	1,932.8	0.0	1,932.8	938.2	994.6
Oper-Others	933.3	(5.7)	927.6	0.0	927.6	3.5	924.1
Maint-Labor	1,566.3	(80.6)	1,485.7	0.0	1,485.7	633.8	851.9
Maint-Others	2,935.9	(703.0)	2,232.9	0.0	2,232.9	542.6	1,690.3
A&G Expenses							
Office Supplies	732.1	(77.1)	655.0	0.0	655.0	292.2	362.8
Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Injuries & Damages	8.6	0.0	8.6	0.0	8.6	0.0	8.6
Pension & Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Business Meals	22.4	(6.9)	15.5	0.0	15.5	6.0	9.5
Regulatory Comm	162.0	(6.3)	155.7	0.0	155.7	0.0	155.7
Outside Services	288.2	(52.0)	236.2	0.0	236.2	45.4	190.8
Misc	127.4	0.8	128.2	0.0	128.2	0.8	127.4
Alloc Gen Office	6,778.0	(315.8)	6,462.2	0.0	6,462.2	219.2	6,243.0
Maintenance	105.9	0.9	106.8	0.0	106.8	0.9	105.9
Rent	425.0	1.7	426.7	0.0	426.7	56.6	370.1
A&G Labor	711.7	(36.6)	675.1	0.0	675.1	256.4	418.7
Other Taxes							
Property Taxes	1,421.8	(5.6)	1,416.2	0.0	1,416.2	0.7	1,415.5
Payroll Taxes	350.3	(18.0)	332.3	0.0	332.3	262.8	262.8
Local Taxes	684.1	1.6	685.7	0.0	685.7	1.2	684.5
Depreciation	4,955.3	(21.6)	4,933.7	0.0	4,933.7	2.9	4,930.8
Income Taxes	(1,680.7)	827.6	(853.1)	(99.2)	(753.9)	(1,618.6)	864.7
Total Expenses After Taxes	53,787.4	(736.4)	53,051.0	(99.2)	53,150.2	2,648.2	50,695.3
Net Operating Revenues	3,372.5	876.5	4,249.0	99.2	4,149.8	(2,846.7)	6,803.2
Rate Base	126,613.4	(3,182.5)	123,430.9	0.0	123,430.9	1,713.7	121,717.2
Rate of Return	2.66%		3.44%		3.36%		5.59%

AT PROPOSED RATES:

Operating Revenues	73,515.8	(2,211.2)	71,304.6	3,563.3	67,741.3	4,891.7	62,859.6
Uncollectibles	632.5	(99.0)	533.5	26.7	506.8	163.5	343.3
Local Taxes	880.0	(26.7)	853.3	42.7	810.6	58.2	752.4
Income Taxes	5,342.2	(175.2)	5,167.0	1,432.5	3,734.5	662.1	3,172.4
Total Expenses After Taxes	61,146.8	(1,803.3)	59,343.5	1,501.9	57,841.6	4,934.7	63,100.1
Net Operating Revenues	12,369.0	(407.9)	11,960.5	2,061.3	9,899.2	(53.0)	9,759.5
Rate Base	126,613.4	(3,182.5)	123,430.9	0.0	123,430.9	1,713.7	121,717.2
Rate of Return	9.77%		9.69%		8.02%		8.02%

SOUTHERN CALIFORNIA WATER COMPANY
ORANGE COUNTY DISTRICT - A-98-03-032

TEST YEAR 1999

SUMMARY OF EARNINGS	Original Application	Increase	Final Stipulation	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Operating Revenues	18,803.3	248.2	19,051.5	0.0	19,051.5	(292.0)	19,343.5
Oper. & Maint. Expenses							
Purchased Water	4,182.5	466.9	4,649.4	0.0	4,649.4	(197.1)	4,846.5
Purchased Power	986.2	(32.8)	953.4	0.0	953.4	99.5	853.9
Pump Taxes	1,743.4	(3.1)	1,740.3	0.0	1,740.3	57.3	1,683.0
Chemicals	161.3	(29.9)	131.4	0.0	131.4	2.6	128.8
Common Cust Alloc	457.6	(13.4)	444.2	0.0	444.2	3.8	440.4
Postage	0.0	0.0				0.0	0.0
Uncollectibles	67.3	(12.4)	54.9	0.0	54.9	(9.4)	64.3
Oper-Labor	1,245.6	(48.7)	1,196.9	0.0	1,196.9	500.6	696.3
Oper-Others	451.7	(13.5)	438.2	0.0	438.2	50.0	388.2
Maint-Labor	373.9	(14.7)	359.2	0.0	359.2	163.0	196.2
Maint-Others	790.1	(25.1)	765.0	0.0	765.0	249.9	515.1
A&G Expenses							
Office Supplies	223.3	0.3	223.6	0.0	223.6	0.3	223.3
Property Insurance	0.0	0.0	0.0		0.0	0.0	0.0
Injuries & Damages	1.0	0.0	1.0	0.0	1.0	0.0	1.0
Pension & Benefits	33.3	0.1	33.4	0.0	33.4	0.1	33.3
Business Meals	6.2	0.0	6.2	0.0	6.2	0.0	6.2
Regulatory Comm	54.6	0.0	54.6	0.0	54.6	2.6	52.0
Outside Services	108.4	0.2	108.6	0.0	108.6	0.2	108.4
Misc	49.4	0.1	49.5	0.0	49.5	0.1	49.4
Alloc Gen Office	2,629.5	(86.3)	2,543.2	0.0	2,543.2	79.4	2,463.8
Maintenance	25.2	0.0	25.2	0.0	25.2	0.0	25.2
Rent	191.5	0.3	191.8	0.0	191.8	0.3	191.5
A&G Labor	384.4	(15.1)	369.3	0.0	369.3	133.4	235.9
Other Taxes							
Property Taxes	320.7	(0.4)	320.3	0.0	320.3	0.0	320.3
Payroll Taxes	162.7	(6.4)	156.3	0.0	156.3	25.4	130.9
Local Taxes	197.2	2.6	199.8	0.0	199.8	(2.4)	202.2
Depreciation	1,362.5	(7.0)	1,355.5	0.0	1,355.5	(5.0)	1,360.5
Income Taxes	540.5	55.5	596.0	0.0	596.0	(595.4)	1,191.4
Total Expenses After Taxes	16,750.0	217.2	16,967.2	0.0	16,967.2	559.2	16,408.0
Net Operating Revenues	2,053.3	31.0	2,084.3	0.0	2,084.3	(851.2)	2,935.5
Rate Base	39,519.5	(701.6)	38,817.9	0.0	38,817.9	380.5	38,437.4
Rate of Return	5.20%		5.37%		5.37%		7.64%

AT PROPOSED RATES:

Operating Revenues	22,089.5	23.9	22,113.4	1,170.0	20,943.4	1,299.3	19,644.1
Uncollectibles	79.1	(15.3)	63.8	3.4	60.4	(4.9)	65.3
Local Taxes	231.7	0.2	231.9	123	219.6	13.5	206.1
Income Taxes	1,960.8	(40.3)	1,920.5	506.2	1,414.3	93.2	1,321.1
Total Expenses After Taxes	18,216.6	116.1	18,332.7	521.9	17,810.8	1,268.2	16,542.6
Net Operating Revenues	3,872.9	(92.2)	3,780.9	648.3	3,132.6	31.1	3,101.5
Rate Base	39,519.5	(701.6)	38,817.9	0.0	38,817.9	380.5	38,437.4
Rate of Return	9.80%		9.74%		8.07%		8.07%

**SOUTHERN CALIFORNIA WATER COMPANY
ORANGE COUNTY DISTRICT - A.93-03-032**

TEST YEAR 2000

SUMMARY OF EARNINGS	Original Application	Increase	Final Stipulation	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Operating Revenues	18,840.7	250.0	19,090.7	0.0	19,090.7	(293.7)	19,384.4
Oper. & Maint. Expenses							
Purchased Water	4,185.6	458.4	4,654.0	0.0	4,654.0	(195.2)	4,849.2
Purchased Power	986.2	(32.7)	953.5	0.0	953.5	50.3	903.2
Pump Taxes	1,743.4	(3.1)	1,740.3	0.0	1,740.3	56.3	1,684.0
Chemicals	161.3	(27.0)	134.3	0.0	134.3	3.6	130.7
Common Cust Alloc	470.4	(14.0)	456.4	0.0	456.4	7.5	448.9
Postage	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncollectibles	67.4	(12.4)	55.0	0.0	55.0	(9.4)	64.4
Oper-Labor	1,304.1	(57.5)	1,246.6	0.0	1,246.6	532.2	714.4
Oper-Others	458.1	(10.1)	448.0	0.0	448.0	52.5	395.5
Maint-Labor	391.4	(17.2)	374.2	0.0	374.2	172.9	201.3
Maint-Others	892.1	(110.0)	782.1	0.0	782.1	255.6	526.5
A&G Expenses							
Office Supplies	223.3	1.0	224.3	0.0	224.3	1.0	223.3
Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Injuries & Damages	1.0	0.0	1.0	0.0	1.0	0.0	1.0
Pension & Benefits	33.3	0.2	33.5	0.0	33.5	0.2	33.3
Business Meals	6.2	0.0	6.2	0.0	6.2	0.0	6.2
Regulatory Comm	54.6	0.0	54.6	0.0	54.6	2.6	52.0
Outside Services	108.4	0.5	108.9	0.0	108.9	0.5	108.4
Misc	49.4	0.2	49.6	0.0	49.6	0.2	49.4
Alloc Gen Office	2,748.4	(128.0)	2,620.4	0.0	2,620.4	88.9	2,531.5
Maintenance	25.2	0.1	25.3	0.0	25.3	0.1	25.2
Rent	191.5	0.6	192.1	0.0	192.1	0.6	191.5
A&G Labor	402.4	(17.7)	384.7	0.0	384.7	142.6	242.1
Other Taxes							
Property Taxes	349.5	0.0	349.5	0.0	349.5	0.9	348.6
Payroll Taxes	170.3	(7.5)	162.8	0.0	162.8	28.5	134.3
Local Taxes	197.6	2.6	200.2	0.0	200.2	(2.5)	202.7
Depreciation	1,498.8	(9.2)	1,489.6	0.0	1,489.6	(4.8)	1,494.4
Income Taxes	104.0	145.4	249.4	(35.7)	285.1	(567.0)	852.1
Total Expenses After Taxes	16,823.9	172.6	16,996.5	(35.7)	17,032.2	618.1	16,414.1
Net Operating Revenues	2,016.8	77.4	2,094.2	35.7	2,058.5	(911.8)	2,970.3
Rate Base	45,695.7	(1,762.9)	43,932.8	0.0	43,932.8	431.6	43,501.2
Rate of Return	4.41%		4.77%		4.69%		6.83%

AT PROPOSED RATES:

Operating Revenues	23,258.3	(264.1)	22,994.2	1,259.7	21,734.5	1,413.9	20,320.6
Uncollectibles	83.3	(17.0)	66.3	3.6	62.7	(4.8)	67.5
Local Taxes	244.0	(2.9)	241.1	13.2	227.9	14.7	213.2
Income Taxes	2,013.3	(75.6)	1,937.7	609.2	1,428.5	171.9	1,256.6
Total Expenses After Taxes	18,795.4	(58.5)	18,736.9	626.0	18,210.9	1,378.7	16,832.3
Net Operating Revenues	4,462.9	(205.6)	4,257.1	733.7	3,523.4	35.2	3,488.3
Rate Base	45,695.7	(1,762.9)	43,932.8	0.0	43,932.8	431.6	43,501.2
Rate of Return	9.77%		9.69%		8.02%		8.02%

**SOUTHERN CALIFORNIA WATER COMPANY
OJAI DISTRICT -- A-98-03-033**

TEST YEAR 1999

SUMMARY OF EARNINGS	Original Applicant	Increase	Final Applicant	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Operating Revenues	1,874.2	(0.9)	1,873.3	0.0	1,873.3	(1.0)	1,874.3
Oper. & Maint. Expenses							
Purchased Water	244.1	(71.0)	173.1	0.0	173.1	25.1	148.0
Purchased Power	168.2	4.1	172.3	0.0	172.3	11.9	160.4
Pump Taxes	9.5	1.3	10.8	0.0	10.8	(0.5)	11.3
Chemicals	8.6	(1.4)	7.2	0.0	7.2	0.0	7.2
Common Cust Allocation	34.8	(1.0)	33.8	0.0	33.8	0.3	33.5
Postage	0.0	0.0	0.0			0.0	0.0
Uncollectibles	5.4	(1.6)	3.8	0.0	3.8	(4.8)	8.6
Oper Labor	184.6	35.7	220.3	0.0	220.3	53.7	166.6
Oper Others	50.7	1.9	52.6	0.0	52.6	0.0	52.6
Maint Labor	63.9	12.4	76.3	0.0	76.3	21.2	55.1
Maint Others	102.5	0.0	102.5	0.0	102.5	(17.0)	119.5
A&G Expenses							
Office Supplies	42.1	0.1	42.2	0.0	42.2	0.1	42.1
Property Insurance	0.0	0.0	0.0		0.0	0.0	0.0
Injuries & Damages	1.1	0.0	1.1	0.0	1.1	0.0	1.1
Pension & Benefits	4.0	0.0	4.0	0.0	4.0	0.0	4.0
Business Meals	0.8	0.0	0.8	0.0	0.8	0.0	0.8
Regulatory Comm	8.3	0.0	8.3	0.0	8.3	0.2	8.1
Outside Services	1.1	0.0	1.1	0.0	1.1	0.0	1.1
Misc	9.6	0.0	9.6	0.0	9.6	0.0	9.6
Alloc Gen Office	199.8	(6.6)	193.3	0.0	193.3	6.1	187.2
Maintenance	5.5	(0.1)	5.4	0.0	5.4	0.0	5.4
Rent	28.5	0.0	28.5	0.0	28.5	0.0	28.5
A&G Labor	37.1	7.2	44.3	0.0	44.3	7.2	37.1
Other Taxes							
Property Taxes	61.6	(0.0)	61.6	0.0	61.6	(0.0)	61.6
Payroll Taxes	23.2	4.5	27.7	0.0	27.7	(2.3)	30.0
Local Taxes	29.4	0.0	29.4	0.0	29.4	0.0	29.4
Depreciation	150.3	0.0	150.3	0.0	150.3	0.0	150.3
Income Taxes	68.5	7.4	75.9	0.0	75.9	(41.7)	117.6
Total Expenses After Taxes	1,543.2	(7.1)	1,536.1	0.0	1,536.1	59.4	1,476.7
Net Operating Revenues	331.0	6.2	337.2	0.0	337.2	(60.4)	397.6
Rate Base	6,162.5	(25.2)	6,137.3	0.0	6,137.3	21.2	6,116.1
Rate of Return	5.37%		5.49%		5.49%		6.50%
AT PROPOSED RATES:							
Operating Revenues	2,369.1	(23.4)	2,345.7	185.8	2,159.9	110.8	2,049.1
Uncollectibles	6.8	(2.0)	4.8	0.4	4.4	(5.0)	9.4
Local Taxes	37.2	(0.4)	36.8	2.9	33.9	1.7	32.2
Income Taxes	281.4	(2.1)	279.3	80.0	199.3	6.7	192.6
Total Expenses After Taxes	1,765.3	(17.4)	1,747.9	83.3	1,664.6	109.3	1,555.3
Net Operating Revenues	603.8	(6.0)	597.8	102.5	495.3	1.5	493.8
Rate Base	6,162.5	(25.2)	6,137.3	0.0	6,137.3	21.2	6,116.1
Rate of Return	9.80%		9.74%		8.07%		8.07%

SOUTHERN CALIFORNIA WATER COMPANY
OJAI DISTRICT - A 98-03-033

TEST YEAR 2000

SUMMARY OF EARNINGS	Original Application	Increase	Final Stipulation	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Operating Revenues	1,871.5	(0.6)	1,870.7	0.0	1,870.7	(0.9)	1,871.6
Oper. & Maint. Expenses							
Purchased Water	243.1	(71.5)	171.6	0.0	171.6	23.9	147.7
Purchased Power	168.2	4.0	172.2	0.0	172.2	12.2	160.0
Pump Taxes	9.5	1.3	10.8	0.0	10.8	(0.5)	11.3
Chemicals	8.6	(1.2)	7.4	0.0	7.4	0.1	7.3
Common Cust Alloc	35.7	(1.0)	34.7	0.0	34.7	0.6	34.1
Postage	0.0	0.0				0.0	0.0
Uncollectibles	6.4	(1.6)	3.8	0.0	3.8	(4.6)	8.6
Oper-Labor	193.1	36.2	229.3	0.0	229.3	58.4	170.9
Oper-Others	51.5	2.3	53.8	0.0	53.8	0.1	53.7
Maint-Labor	66.8	12.6	79.4	0.0	79.4	22.8	56.6
Maint-Others	104.2	0.6	104.8	0.0	104.8	(17.3)	122.1
A&G Expenses							
Office Supplies	42.8	0.3	43.1	0.0	43.1	0.3	42.8
Property Insurance	0.0	0.0	0.0		0.0	0.0	0.0
Injuries & Damages	1.1	0.0	1.1	0.0	1.1	0.0	1.1
Pension & Benefits	4.0	0.0	4.0	0.0	4.0	0.0	4.0
Business Meals	0.8	0.0	0.8	0.0	0.8	0.0	0.8
Regulatory Comm	8.3	0.0	8.3	0.0	8.3	0.0	8.3
Outside Services	1.1	0.0	1.1	0.0	1.1	0.0	1.1
Misc	9.8	0.1	9.9	0.0	9.9	0.1	9.8
Alloc Gen Office	208.9	(9.8)	199.1	0.0	199.1	6.7	192.4
Maintenance	5.5	0.0	5.5	0.0	5.5	0.0	5.5
Rent	29.0	0.2	29.2	0.0	29.2	0.2	29.0
A&G Labor	38.8	7.2	46.0	0.0	46.0	7.2	38.8
Other Taxes							
Property Taxes	65.7	0.0	65.7	0.0	65.7	0.0	65.7
Payroll Taxes	24.3	4.5	28.8	0.0	28.8	(2.1)	30.9
Local Taxes	29.4	0.0	29.4	0.0	29.4	0.0	29.4
Depreciation	160.7	0.0	160.7	0.0	160.7	0.0	160.7
Income Taxes	21.7	9.4	31.1	(0.2)	31.3	(43.9)	75.2
Total Expenses After Taxes	1,530.0	(6.3)	1,531.7	(0.2)	1,531.9	64.1	1,467.8
Net Operating Revenues	333.5	5.5	339.0	0.2	338.8	(65.0)	403.8
Rate Base	6,635.0	(32.5)	6,602.5	0.0	6,602.5	25.5	6,577.0
Rate of Return	5.03%		5.14%		5.13%		6.14%

AT PROPOSED RATES:

Operating Revenues	2,442.1	(26.2)	2,415.9	199.5	2,216.4	119.9	2,096.5
Uncollectibles	7.0	(2.1)	4.9	0.4	4.5	(5.1)	9.6
Local Taxes	38.4	(0.5)	37.9	3.1	34.8	1.9	32.9
Income Taxes	267.2	(1.2)	266.0	85.7	180.3	8.5	171.8
Total Expenses After Taxes	1,794.0	(17.9)	1,776.2	89.2	1,687.0	118.0	1,569.0
Net Operating Revenues	648.1	(8.3)	639.8	110.3	529.5	1.9	527.5
Rate Base	6,635.0	(32.5)	6,602.5	0.0	6,602.5	25.5	6,577.0
Rate of Return	9.77%		9.69%		8.02%		8.02%

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
SAN DIMAS DISTRICT - A.98-03-030

TEST YEAR 1999

SUMMARY OF EARNINGS	Original Applicant	Increase	Final Applicant	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Operating Revenues	11,399.8	(44.1)	11,355.7	0.0	11,355.7	(86.1)	11,441.8
Oper. & Maint. Expenses							
Purchased Water	3,707.8	(34.3)	3,673.5	0.0	3,673.5	294.5	3,379.0
Purchased Power	664.2	1.0	665.2	0.0	665.2	23.2	642.0
Pump Taxes	491.6	58.0	549.6	0.0	549.6	(87.2)	636.8
Chemicals	23.4	5.0	28.4	0.0	28.4	(2.4)	30.8
Common Cust Alloc	184.7	(5.4)	179.3	0.0	179.3	1.5	177.8
Postage	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncollectibles	47.5	(10.2)	37.3	0.0	37.3	(15.9)	53.2
Oper-Labor	592.4	91.8	684.2	0.0	684.2	301.4	382.8
Oper-Others	137.7	27.0	164.7	0.0	164.7	0.0	164.7
Maint-Labor	306.6	47.5	354.1	0.0	354.1	160.6	193.5
Maint-Others	597.7	(125.5)	472.2	0.0	472.2	276.5	195.7
A&G Expenses							
Office Supplies	117.0	(8.8)	108.2	0.0	108.2	2.8	105.4
Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Injuries & Damages	1.5	0.0	1.5	0.0	1.5	0.0	1.5
Pension & Benefits	25.3	(12.0)	13.3	0.0	13.3	1.5	11.8
Business Meals	3.2	0.0	3.2	0.0	3.2	0.0	3.2
Regulatory Comm	24.4	(1.1)	23.3	0.0	23.3	0.0	23.3
Outside Services	11.7	0.0	11.7	0.0	11.7	0.0	11.7
Misc	7.5	0.0	7.5	0.0	7.5	0.0	7.5
Alloc Gen Office	1,061.2	(34.8)	1,026.4	0.0	1,026.4	32.1	994.3
Maintenance	7.6	0.0	7.6	0.0	7.6	0.0	7.6
Rent	28.3	0.0	28.3	0.0	28.3	0.0	28.3
A&G Labor	111.8	17.4	129.2	0.0	129.2	51.3	77.9
Other Taxes							
Property Taxes	348.0	0.0	348.0	0.0	348.0	0.0	348.0
Payroll Taxes	82.1	12.7	94.8	0.0	94.8	18.9	75.9
Local Taxes	111.8	(0.5)	111.3	0.0	111.3	(0.3)	111.6
Depreciation	948.6	0.2	948.8	0.0	948.8	0.2	948.6
Income Taxes	376.5	(19.8)	356.7	0.0	356.7	(466.3)	823.0
Total Expenses After Taxes	10,020.1	8.1	10,028.2	0.0	10,028.2	592.3	9,435.9
Net Operating Revenues	1,379.7	(52.2)	1,327.5	0.0	1,327.5	(678.4)	2,005.9
Rate Base	21,381.6	(273.8)	21,107.8	0.0	21,107.8	77.5	21,030.3
Rate of Return	6.45%		6.29%		6.29%		9.54%
AT PROPOSED RATES:							
Operating Revenues	12,692.1	(22.1)	12,670.0	636.0	12,034.0	1,783.1	10,883.9
Uncollectibles	52.8	(11.2)	41.6	2.1	39.5	(9.0)	50.6
Local Taxes	124.4	(0.2)	124.2	6.3	117.9	17.5	105.7
Income Taxes	935.2	(9.9)	925.3	275.1	650.2	343.6	581.7
Total Expenses After Taxes	10,596.7	17.3	10,614.0	283.5	10,330.5	1,427.0	9,187.0
Net Operating Revenues	2,095.4	(39.4)	2,055.9	352.5	1,703.4	359.1	1,696.9
Rate Base	21,381.6	(273.8)	21,107.8	0.0	21,107.8	77.5	21,030.3
Rate of Return	9.80%		9.74%		8.07%		8.07%

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
SAN DIMAS DISTRICT - A.98-03-030

TEST YEAR 2000

SUMMARY OF EARNINGS	Original Application	Increase	Final Applicant	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Operating Revenues	11,438.4	(44.4)	11,394.0	0.0	11,394.0	(86.8)	11,480.8
Oper. & Maint. Expenses							
Purchased Water	3,723.9	0.0	3,723.9	0.0	3,723.9	295.5	3,428.4
Purchased Power	665.0	2.6	667.6	0.0	667.6	24.2	643.4
Pump Taxes	491.6	58.0	549.6	0.0	549.6	(88.7)	638.3
Chemicals	23.4	5.7	29.1	0.0	29.1	(2.2)	31.3
Common Cust Alloc	189.9	(5.7)	184.2	0.0	184.2	3.0	181.2
Postage	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncollectibles	47.6	(10.2)	37.4	0.0	37.4	(16.0)	53.4
Oper-Labor	622.8	92.4	715.2	0.0	715.2	322.5	392.7
Oper-Others	139.9	28.5	168.4	0.0	168.4	0.1	168.3
Maint-Labor	322.4	47.8	370.2	0.0	370.2	171.7	198.5
Maint-Others	609.2	(126.4)	482.8	0.0	482.8	282.8	200.0
A&G Expenses							
Office Supplies	118.9	(8.3)	110.6	0.0	110.6	2.9	107.7
Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Injuries & Damages	1.5	0.1	1.6	0.0	1.6	0.1	1.5
Pension & Benefits	25.7	(12.1)	13.6	0.0	13.6	1.5	12.1
Business Meals	3.2	0.0	3.2	0.0	3.2	0.0	3.2
Regulatory Comm	24.4	(1.1)	23.3	0.0	23.3	0.0	23.3
Outside Services	11.9	0.1	12.0	0.0	12.0	0.1	11.9
Misc	12.1	0.1	12.2	0.0	12.2	4.7	7.5
Alloc Gen Office	1,109.2	(51.7)	1,057.5	0.0	1,057.5	35.9	1,021.6
Maintenance	7.7	0.1	7.8	0.0	7.8	0.1	7.7
Rent	28.7	0.3	29.0	0.0	29.0	0.3	28.7
A&G Labor	117.6	17.4	135.0	0.0	135.0	55.1	79.9
Other Taxes							
Property Taxes	368.6	0.0	368.6	0.0	368.6	0.2	368.4
Payroll Taxes	86.3	12.8	99.1	0.0	99.1	23.2	75.9
Local Taxes	112.1	(0.4)	111.7	0.0	111.7	(0.3)	112.0
Depreciation	1,004.9	(0.4)	1,004.5	0.0	1,004.5	(0.4)	1,004.9
Income Taxes	241.4	(27.6)	213.8	(19.4)	233.2	(473.2)	706.4
Total Expenses After Taxes	10,109.9	22.0	10,131.9	(19.4)	10,151.3	643.1	9,508.2
Net Operating Revenues	1,328.5	(66.4)	1,262.1	19.4	1,242.7	(729.9)	1,972.6
Rate Base	22,541.2	(301.7)	22,239.5	0.0	22,239.5	68.2	22,171.3
Rate of Return	5.89%		5.68%		5.59%		8.90%
AT PROPOSED RATES:							
Operating Revenues	13,016.3	(11.3)	13,005.0	635.1	12,369.9	1,238.5	11,131.4
Uncollectibles	54.2	(11.2)	43.0	2.4	40.6	(11.1)	51.7
Local Taxes	127.6	(0.1)	127.5	6.2	121.3	12.2	109.1
Income Taxes	923.4	(12.7)	910.7	255.2	655.5	100.3	555.2
Total Expenses After Taxes	10,814.0	36.2	10,850.2	263.8	10,586.4	1,233.9	9,352.5
Net Operating Revenues	2,202.3	(47.5)	2,155.0	371.4	1,783.6	4.6	1,778.9
Rate Base	22,541.2	(301.7)	22,239.5	0.0	22,239.5	68.2	22,171.3
Rate of Return	9.77%		9.69%		8.02%		8.02%

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
SAN GABRIEL DISTRICT - A 93-03-031

TEST YEAR 1999

SUMMARY OF EARNINGS	Original Application	Increase	Final Stipulation	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Operating Revenues	4,620.8	52.6	4,673.4	0.0	4,673.4	(76.2)	4,749.6
Oper. & Maint. Expenses							
Purchased Water	30.3	16.1	46.4	0.0	46.4	15.2	31.2
Purchased Power	443.3	(10.0)	433.3	0.0	433.3	33.1	400.2
Pump Taxes	560.8	26.1	586.9	0.0	586.9	(57.8)	644.7
Chemicals	20.8	5.9	26.7	0.0	26.7	(0.3)	27.0
Common Cust Alloc	109.9	(3.2)	106.7	0.0	106.7	0.8	105.9
Postage	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncollectibles	22.8	(3.8)	19.0	0.0	19.0	(2.1)	21.1
Oper-Labor	369.8	67.6	437.4	0.0	437.4	114.4	323.0
Oper-Others	99.8	(15.5)	84.3	0.0	84.3	0.0	84.3
Maint-Labor	166.5	30.4	196.9	0.0	196.9	44.5	152.4
Maint-Others	382.4	(60.4)	322.0	0.0	322.0	168.6	133.4
A&G Expenses							
Office Supplies	72.4	(7.6)	64.8	0.0	64.8	10.0	54.8
Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Injuries & Damages	0.2	0.0	0.2	0.0	0.2	0.0	0.2
Pension & Benefits	15.0	(7.6)	7.4	0.0	7.4	0.5	6.9
Business Meals	2.0	0.0	2.0	0.0	2.0	0.0	2.0
Regulatory Comm	18.0	(0.6)	17.4	0.0	17.4	0.0	17.4
Outside Services	2.9	0.0	2.9	0.0	2.9	0.0	2.9
Misc	5.2	0.0	5.2	0.0	5.2	0.0	5.2
Alloc Gen Office	631.4	(20.8)	610.6	0.0	610.6	19.0	591.6
Maintenance	17.6	0.1	17.7	0.0	17.7	0.1	17.6
Rent	22.2	0.0	22.2	0.0	22.2	0.0	22.2
A&G Labor	83.0	15.1	98.1	0.0	98.1	15.1	83.0
Other Taxes							
Property Taxes	226.9	0.1	227.0	0.0	227.0	0.1	226.9
Payroll Taxes	50.3	9.1	59.4	0.0	59.4	(5.4)	64.8
Local Taxes	68.6	1.0	69.6	0.0	69.6	(0.8)	70.4
Depreciation	547.5	0.0	547.5	0.0	547.5	0.0	547.5
Income Taxes	68.2	12.6	80.8	0.0	80.8	(184.8)	265.6
Total Expenses After Taxes	4,037.8	54.6	4,092.4	0.0	4,092.4	190.2	3,902.2
Net Operating Revenues	583.0	(2.0)	581.0	0.0	581.0	(266.4)	847.4
Rate Base	12,656.2	(327.2)	12,329.0	0.0	12,329.0	59.5	12,269.5
Rate of Return	4.61%		4.71%		4.71%		6.91%
AT PROPOSED RATES:							
Operating Revenues	5,814.9	(16.4)	5,798.5	373.7	5,424.8	789.5	5,009.0
Uncollectibles	28.7	(5.2)	23.5	1.5	22.0	3.2	20.3
Local Taxes	86.6	(0.2)	86.4	5.6	80.8	11.8	74.6
Income Taxes	581.2	(16.4)	564.8	160.9	403.9	186.9	377.9
Total Expenses After Taxes	4,574.7	23.0	4,597.7	163.0	4,429.7	579.8	4,018.0
Net Operating Revenues	1,240.2	(39.4)	1,200.8	205.9	995.0	209.7	991.0
Rate Base	12,656.2	(327.2)	12,329.0	0.0	12,329.0	59.5	12,269.5
Rate of Return	9.80%		9.74%		8.07%		8.03%

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
SAN GABRIEL DISTRICT - A 98-03-031

TEST YEAR 2000

SUMMARY OF EARNINGS	Original Application	Increase	Final Stipulation	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Operating Revenues	4,599.2	52.7	4,651.9	0.0	4,651.9	(76.1)	4,728.0
Oper. & Maint. Expenses							
Purchased Water	30.8	(13.9)	16.9	0.0	16.9	(14.1)	31.0
Purchased Power	437.7	(7.9)	429.8	0.0	429.8	34.4	395.4
Pump Taxes	548.1	38.8	586.9	0.0	586.9	(45.2)	632.1
Chemicals	20.7	6.6	27.3	0.0	27.3	(0.1)	27.4
Common Cust Alloc	113.0	(3.4)	109.6	0.0	109.6	1.8	107.8
Postage	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncollectibles	22.7	(3.8)	18.9	0.0	18.9	(2.1)	21.0
Oper-Labor	391.2	68.3	459.5	0.0	459.5	128.1	331.4
Oper-Others	101.4	(15.2)	86.2	0.0	86.2	0.0	86.2
Maint-Labor	176.1	30.7	206.8	0.0	206.8	50.5	156.3
Maint-Others	368.6	(39.4)	329.2	0.0	329.2	192.8	136.4
A&G Expenses							
Office Supplies	73.6	(7.3)	66.3	0.0	66.3	10.3	56.0
Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Injuries & Damages	0.2	0.0	0.2	0.0	0.2	0.0	0.2
Pension & Benefits	15.3	(7.7)	7.6	0.0	7.6	0.6	7.0
Business Meals	2.0	0.0	2.0	0.0	2.0	0.0	2.0
Regulatory Comm	18.0	(0.6)	17.4	0.0	17.4	0.0	17.4
Outside Services	3.0	0.0	3.0	0.0	3.0	0.1	2.9
Misc	5.3	0.0	5.3	0.0	5.3	0.0	5.3
Alloc Gen Office	659.9	(30.7)	629.2	0.0	629.2	21.4	607.8
Maintenance	17.9	0.1	18.0	0.0	18.0	0.1	17.9
Rent	22.5	0.2	22.7	0.0	22.7	0.2	22.5
A&G Labor	87.8	15.3	103.1	0.0	103.1	15.3	87.8
Other Taxes							
Property Taxes	243.7	0.0	243.7	0.0	243.7	0.3	243.4
Payroll Taxes	53.2	9.3	62.5	0.0	62.5	(7.6)	70.1
Local Taxes	68.8	0.5	69.3	0.0	69.3	2.5	66.8
Depreciation	588.5	(0.7)	587.8	0.0	587.8	(0.1)	587.9
Income Taxes	(31.7)	17.0	(14.7)	(11.3)	(3.4)	(175.2)	160.5
Total Expenses After Taxes	4,038.3	56.3	4,094.6	(11.3)	4,105.9	214.1	3,880.5
Net Operating Revenues	560.9	(3.6)	557.3	11.3	546.0	(290.2)	847.5
Rate Base	13,294.6	(325.5)	12,969.1	0.0	12,969.1	73.3	12,895.8
Rate of Return	4.22%		4.30%		4.21%		6.57%
AT PROPOSED RATES:							
Operating Revenues	5,939.3	(17.9)	5,921.4	372.6	5,548.8	854.3	6,067.1
Uncollectibles	29.3	(5.3)	24.0	1.5	22.5	1.5	22.5
Local Taxes	68.5	(0.3)	68.2	5.5	82.7	16.2	72.0
Income Taxes	544.2	(12.9)	531.3	149.0	382.3	225.0	306.3
Total Expenses After Taxes	4,640.5	24.1	4,664.6	156.0	4,508.6	631.6	4,033.1
Net Operating Revenues	1,298.8	(42.0)	1,256.7	216.6	1,040.1	222.7	1,034.0
Rate Base	13,294.6	(325.5)	12,969.1	0.0	12,969.1	73.3	12,895.8
Rate of Return	9.77%		9.69%		8.02%		8.02%

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
DESERT DISTRICT - A 93-03-029

TEST YEAR 1999

SUMMARY OF EARNINGS	Original Application	Increase	Final SCWC	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Operating Revenues	1,917.2	(1.2)	1,916.0	0.0	1,916.0	0.0	1,916.0
Oper. & Maint. Expenses							
Purchased Water	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchased Power	143.4	0.0	143.4	0.0	143.4	20.9	122.5
Pump Taxes	35.3	0.0	35.3	0.0	35.3	(0.2)	35.5
Chemicals	1.2	0.0	1.2	0.0	1.2	0.0	1.2
Common Cust Alloc	23.1	(0.7)	22.4	0.0	22.4	0.2	22.2
Postage	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncollectibles	46.7	(7.5)	39.2	0.0	39.2	9.2	30.0
Oper-Labor	271.3	(2.3)	269.0	0.0	269.0	(40.1)	309.1
Oper-Others	84.6	(7.6)	77.0	0.0	77.0	0.0	77.0
Maint-Labor	77.5	(1.5)	76.0	0.0	76.0	(24.6)	100.6
Maint-Others	223.4	(28.4)	195.0	0.0	195.0	70.9	124.1
A&G Expenses							
Office Supplies	70.4	0.3	70.7	0.0	70.7	0.3	70.4
Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Injuries & Damages	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pension & Benefits	8.6	0.0	8.6	0.0	8.6	0.0	8.6
Business Meals	2.8	0.0	2.8	0.0	2.8	0.0	2.8
Regulatory Comm	7.9	0.0	7.9	0.0	7.9	0.1	7.8
Outside Services	1.0	0.0	1.0	0.0	1.0	0.0	1.0
Misc	4.2	0.0	4.2	0.0	4.2	0.0	4.2
Alloc Gen Office	132.7	(4.4)	128.3	0.0	128.3	4.0	124.3
Maintenance	10.5	0.0	10.5	0.0	10.5	0.0	10.5
Rent	45.4	0.1	45.5	0.0	45.5	0.1	45.4
A&G Labor	67.8	(1.3)	66.5	0.0	66.5	(1.3)	67.8
Other Taxes							
Property Taxes	49.6	0.0	49.6	0.0	49.6	0.0	49.6
Payroll Taxes	33.8	(0.4)	33.4	0.0	33.4	(22.0)	55.4
Local Taxes	17.5	(0.0)	17.5	0.0	17.5	(0.2)	17.7
Depreciation	221.3	0.1	221.4	0.0	221.4	0.1	221.3
Income Taxes	16.6	32.4	49.0	0.0	49.0	(7.1)	56.1
Total Expenses After Taxes	1,596.6	(21.2)	1,575.4	0.0	1,575.4	10.3	1,565.1
Net Operating Revenues	320.6	20.0	340.6	0.0	340.6	(10.3)	350.9
Rate Base	6,915.9	(638.1)	6,277.8	0.0	6,277.8	(30.8)	6,308.6
Rate of Return	4.64%		5.43%		5.43%		5.56%
AT PROPOSED RATES:							
Operating Revenues	2,575.6	(162.4)	2,413.1	192.4	2,220.7	16.0	2,204.7
Uncollectibles	62.8	(13.4)	49.4	4.0	45.4	10.9	34.5
Local Taxes	23.5	(1.5)	22.0	1.7	20.3	(0.3)	20.6
Income Taxes	295.5	(35.1)	260.4	61.8	178.6	(0.9)	179.5
Total Expenses After Taxes	1,897.6	(96.1)	1,801.5	87.5	1,714.0	18.1	1,695.7
Net Operating Revenues	677.9	(66.3)	611.5	104.8	506.6	(2.1)	509.0
Rate Base	6,915.9	(638.1)	6,277.8	0.0	6,277.8	(30.8)	6,308.6
Rate of Return	9.80%		9.74%		8.07%		8.07%

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
DESERT DISTRICT - A-98-03-029

TEST YEAR 2000

SUMMARY OF EARNINGS	Original Application	Increase	Final SCWC	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Operating Revenues	1,907.2	(1.2)	1,906.0	0.0	1,906.0	(0.1)	1,906.1
Oper. & Maint. Expenses							
Purchased Water	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchased Power	142.8	0.0	142.8	0.0	142.8	20.7	122.1
Pump Taxes	33.7	0.0	33.7	0.0	33.7	(1.8)	35.5
Chemicals	1.2	0.0	1.2	0.0	1.2	0.0	1.2
Common Cust Alloc	23.7	(0.7)	23.0	0.0	23.0	(0.1)	23.1
Postage	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncollectibles	46.5	(7.5)	39.0	0.0	39.0	9.2	29.8
Oper-Labor	286.2	(7.1)	279.1	0.0	279.1	(38.0)	317.1
Oper-Others	86.0	(7.3)	78.7	0.0	78.7	0.0	78.7
Maint-Labor	81.7	(2.0)	79.7	0.0	79.7	(23.5)	103.2
Maint-Others	233.4	(34.0)	199.4	0.0	199.4	72.6	126.8
A&G Expenses							
Office Supplies	71.6	0.7	72.3	0.0	72.3	0.7	71.6
Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Injuries & Damages	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pension & Benefits	8.7	0.1	8.8	0.0	8.8	0.1	8.7
Business Meals	2.8	0.0	2.8	0.0	2.8	0.0	2.8
Regulatory Comm	7.9	0.0	7.9	0.0	7.9	0.1	7.8
Outside Services	1.0	0.0	1.0	0.0	1.0	(0.1)	1.1
Misc	4.3	0.0	4.3	0.0	4.3	0.0	4.3
Alloc Gen Office	138.6	(6.4)	132.2	0.0	132.2	4.5	127.7
Maintenance	10.6	0.2	10.8	0.0	10.8	0.2	10.6
Rent	46.1	0.4	46.5	0.0	46.5	0.3	46.2
A&G Labor	71.6	(1.8)	69.8	0.0	69.8	(1.8)	71.6
Other Taxes							
Property Taxes	57.0	0.0	57.0	0.0	57.0	5.4	51.6
Payroll Taxes	35.7	(0.9)	34.8	0.0	34.8	(22.3)	57.1
Local Taxes	17.4	(0.0)	17.4	0.0	17.4	(0.2)	17.6
Depreciation	264.9	(32.1)	232.8	0.0	232.8	0.1	232.7
Income Taxes	(59.0)	63.6	4.6	(5.7)	10.3	(4.1)	14.4
Total Expenses After Taxes	1,614.4	(34.8)	1,579.6	(5.7)	1,585.3	22.0	1,563.3
Net Operating Revenues	292.8	33.6	326.4	5.7	320.7	(22.1)	342.8
Rate Base	8,021.9	(1,207.7)	6,814.2	0.0	6,814.2	(23.5)	6,837.7
Rate of Return	3.65%		4.79%		4.71%		6.01%
AT PROPOSED RATES:							
Operating Revenues	2,812.0	(293.0)	2,519.0	198.5	2,320.5	39.0	2,281.5
Uncollectibles	68.6	(17.0)	51.6	4.1	47.5	11.8	35.7
Local Taxes	25.6	(2.6)	23.0	1.6	21.4	0.0	21.4
Income Taxes	324.4	(59.2)	265.2	78.7	186.5	11.7	174.8
Total Expenses After Taxes	2,028.1	(169.7)	1,858.4	84.4	1,774.0	40.6	1,733.6
Net Operating Revenues	783.9	(123.3)	660.3	113.8	546.5	(1.6)	548.0
Rate Base	8,021.9	(1,207.7)	6,814.2	0.0	6,814.2	(23.5)	6,837.7
Rate of Return	9.77%		9.69%		8.02%		8.02%

A.98-03-029, et al. ALJ/GEW/avs*

ATTACHMENT B

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
METROPOLITAN DISTRICT -- A-98-03-034

TEST YEAR 1999

INCOME TAX CALCULATION	Original Application	Increase	Final Applicant	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Total Operating Revenues	57,482.3	141.3	57,623.6	0.0	57,623.6	2.8	57,620.8
Operating Expenses	54,183.4	(1,275.9)	52,907.5	0.0	52,907.5	3,937.5	48,970.0
Interest on LTD	4,331.8	(126.9)	4,204.9	0.0	4,204.9	41.7	4,163.2
Book Depr'n (w/ G.O.)	(4,707.8)	5.9	(4,701.9)	0.0	(4,701.9)	(10.3)	(4,691.6)
Total Deductions	53,807.4	(1,396.9)	52,410.5	0.0	52,410.5	3,968.9	48,441.6
State Tax Depreciation	3,881.8	(0.0)	3,881.8	(0.0)	3,881.8	(5.1)	3,886.9
Other State Schedule M	238.1	(0.0)	238.1	(0.0)	238.1	0.0	238.1
8.84% --State Tax	(39.3)	135.9	96.6	0.0	96.6	(350.2)	446.8
Book Depr'n (w/ G.O.)	4,707.8	(5.9)	4,701.9	0.0	4,701.9	10.3	4,691.6
Tax Depr. - Flow Through	(609.0)	0.0	(609.0)	0.0	(609.0)	(2.3)	(606.7)
State Tax Deduction	(39.3)	135.9	96.6	0.0	96.6	(350.2)	446.8
Other Fed Schedule M	251.3	0.0	251.3	0.0	251.3	0.0	251.3
Def Rev Amort - Contrib	36.9	0.0	36.9	0.0	36.9	0.0	36.9
35.00% --Federal Tax	(235.5)	492.9	257.4	0.0	257.4	(1,268.4)	1,525.8
TOTAL INCOME TAX	(274.8)	628.8	354.0	0.0	354.0	(1,618.6)	1,972.6

AT PROPOSED RATES:

Total Operating Revenues	70,624.1	(1,851.2)	68,772.9	3,269.9	65,503.0	4,373.3	61,129.7
Operating Expenses	54,454.3	(1,330.0)	53,124.3	63.5	53,060.8	4,025.9	49,034.9
Interest on LTD	4,331.8	(126.9)	4,204.9	0.0	4,204.9	41.7	4,163.2
Book Depr'n (w/ G.O.)	(4,707.8)	5.9	(4,701.9)	0.0	(4,701.9)	(10.3)	(4,691.6)
Total Deductions	54,078.3	(1,451.0)	52,627.3	63.5	52,563.8	4,057.3	48,506.6
State Tax Depreciation	3,881.8	(0.0)	3,881.8	(0.0)	3,881.8	(5.1)	3,886.9
Other State Schedule M	238.1	(0.0)	238.1	(0.0)	238.1	0.0	238.1
8.84% --State Tax	1,098.4	(35.3)	1,063.1	283.5	779.6	28.4	751.2
Book Depr'n (w/ G.O.)	4,707.8	(5.9)	4,701.9	0.0	4,701.9	10.3	4,691.6
Tax Depr. - Flow Through	(609.0)	0.0	(609.0)	0.0	(609.0)	(2.3)	(606.7)
State Tax Deduction	(39.3)	135.9	96.6	0.0	96.6	(350.2)	446.8
Other Fed Schedule M	251.3	0.0	251.3	0.0	251.3	0.0	251.3
Def Rev Amort - Contrib	36.9	0.0	36.9	0.0	36.9	0.0	36.9
35.00% --Federal Tax	4,269.3	(185.5)	4,083.8	1,122.3	2,961.5	230.3	2,731.2
TOTAL INCOME TAX	5,367.7	(220.8)	5,146.9	1,405.8	3,741.1	258.7	3,482.4

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
METROPOLITAN DISTRICT - A.98-03-034

TEST YEAR 2000

INCOME TAX CALCULATION	Original Application	Increase	Final Applicant	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Total Operating Revenues	57,159.9	140.1	57,300.0	0.0	57,300.0	(198.5)	57,498.5
Operating Expenses	55,468.1	(1,564.0)	53,904.1	0.0	53,904.1	4,073.5	49,830.6
Interest on LTD	4,912.6	(160.5)	4,752.1	0.0	4,752.1	66.0	4,686.1
Book Depr'n (w/ G.O.)	(5,361.3)	31.6	(5,329.7)	0.0	(5,329.7)	(18.9)	(5,310.8)
Total Deductions	55,019.4	(1,692.9)	53,326.5	0.0	53,326.5	4,120.6	49,205.9
State Tax Depreciation	5,373.2	(6.1)	5,367.1	0.0	5,367.1	56.4	5,310.7
Other State Schedule M	238.1	0.0	238.1	0.0	238.1	0.0	238.1
8.84% -State Tax	(306.8)	162.6	(144.2)	0.0	(144.2)	(386.8)	242.6
Book Depr'n (w/ G.O.)	5,361.3	(31.6)	5,329.7	0.0	5,329.7	18.9	5,310.8
Tax Depr. - Flow Through	(674.3)	0.0	(674.3)	0.0	(674.3)	(7.8)	(666.5)
State Tax Deduction	1,098.5	(35.4)	1,063.1	283.5	779.6	(810.7)	1,590.3
Other Fed Schedule M	251.3	0.0	251.3	0.0	251.3	0.0	251.3
Def Rev Amort - Contrib	29.2	0.0	29.2	0.0	29.2	0.0	29.2
35.00% -Federal Tax	(1,373.9)	665.0	(708.9)	(99.2)	(609.7)	(1,231.8)	622.1
TOTAL INCOME TAX	(1,680.7)	827.6	(853.1)	(99.2)	(753.9)	(1,618.6)	864.7

AT PROPOSED RATES:

Total Operating Revenues	73,515.8	(2,211.2)	71,304.6	3,563.3	67,741.3	4,881.7	62,859.6
Operating Expenses	55,804.6	(1,628.1)	54,176.5	69.4	54,107.1	4,179.3	49,927.8
Interest on LTD	4,912.6	(160.5)	4,752.1	0.0	4,752.1	66.0	4,686.1
Book Depr'n (w/ G.O.)	(5,361.3)	31.6	(5,329.7)	0.0	(5,329.7)	(18.9)	(5,310.8)
Total Deductions	55,355.9	(1,757.0)	53,598.9	69.4	53,529.5	4,226.4	49,303.1
State Tax Depreciation	5,373.2	(6.1)	5,367.1	0.0	5,367.1	56.4	5,310.7
Other State Schedule M	238.1	0.0	238.1	0.0	238.1	0.0	238.1
8.84% -State Tax	1,109.3	(39.6)	1,069.7	308.9	760.8	52.9	707.9
Book Depr'n (w/ G.O.)	5,361.3	(31.6)	5,329.7	0.0	5,329.7	18.9	5,310.8
Tax Depr. - Flow Through	(674.3)	0.0	(674.3)	0.0	(674.3)	(7.8)	(666.5)
State Tax Deduction	1,098.5	(35.4)	1,063.1	283.5	779.6	(810.7)	1,590.3
Other Fed Schedule M	251.3	0.0	251.3	0.0	251.3	0.0	251.3
Def Rev Amort - Contrib	29.2	0.0	29.2	0.0	29.2	0.0	29.2
35.00% -Federal Tax	4,232.9	(135.6)	4,097.3	1,123.6	2,973.7	509.2	2,464.5
TOTAL INCOME TAX	5,342.2	(175.2)	5,167.0	1,432.5	3,734.5	562.1	3,172.4

**RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
ORANGE COUNTY DISTRICT -- A.98-03-032**

TEST YEAR 1999

INCOME TAX CALCULATION	Original Application	Increase	Final Applicant	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Total Operating Revenues	18,803.3	248.2	19,051.5	0.0	19,051.5	(292.0)	19,343.5
Operating Expenses	16,209.5	161.7	16,371.2	0.0	16,371.2	1,154.6	15,216.6
Interest on LTD	1,565.0	(51.1)	1,513.9	0.0	1,513.9	14.8	1,499.1
Book Depr'n (w/ G.O.)	(1,510.7)	8.2	(1,502.5)	0.0	(1,502.5)	3.0	(1,505.5)
Total Deductions	16,263.8	118.8	16,382.6	0.0	16,382.6	1,172.4	15,210.2
State Tax Depreciation	1,762.0	0.0	1,762.0	0.0	1,762.0	21.0	1,741.0
Other State Schedule M	(71.8)	0.0	(71.8)	0.0	(71.8)	0.0	(71.8)
8.84% --State Tax	75.1	11.4	86.5	0.0	86.5	(131.3)	217.8
Book Depr'n (w/ G.O.)	1,510.7	(8.2)	1,502.5	0.0	1,502.5	(3.0)	1,505.5
Tax Depr. - Flow Through	(346.1)	0.0	(346.1)	0.0	(346.1)	(4.1)	(342.0)
State Tax Deduction	75.1	11.4	86.5	0.0	86.5	(131.3)	217.8
Other Fed Schedule M	(66.7)	0.0	(66.7)	0.0	(66.7)	0.0	(66.7)
Def Rev Amort - Contrib	36.9	0.0	36.9	0.0	36.9	0.0	36.9
35.00% --Federal Tax	465.4	44.1	509.5	0.0	509.5	(464.1)	973.6
TOTAL INCOME TAX	540.5	55.5	596.0	0.0	596.0	(595.4)	1,191.4

AT PROPOSED RATES:

Total Operating Revenues	22,089.5	23.9	22,113.4	1,170.0	20,943.4	1,299.3	19,644.1
Operating Expenses	16,255.8	156.4	16,412.2	15.7	16,396.5	1,175.0	15,221.5
Interest on LTD	1,565.0	(51.1)	1,513.9	0.0	1,513.9	14.8	1,499.1
Book Depr'n (w/ G.O.)	(1,510.7)	8.2	(1,502.5)	0.0	(1,502.5)	3.0	(1,505.5)
Total Deductions	16,310.1	113.5	16,423.6	15.7	16,407.9	1,192.8	15,215.1
State Tax Depreciation	1,762.0	0.0	1,762.0	0.0	1,762.0	21.0	1,741.0
Other State Schedule M	(71.8)	0.0	(71.8)	0.0	(71.8)	0.0	(71.8)
9.3% --State Tax	361.6	(7.9)	353.6	102.1	251.5	7.5	244.0
Book Depr'n (w/ G.O.)	1,510.7	(8.2)	1,502.5	0.0	1,502.5	(3.0)	1,505.5
Tax Depr. - Flow Through	(346.1)	0.0	(346.1)	0.0	(346.1)	(4.1)	(342.0)
State Tax Deduction	75.1	11.4	86.5	0.0	86.5	(131.3)	217.8
Other Fed Schedule M	(66.7)	0.0	(66.7)	0.0	(66.7)	0.0	(66.7)
Def Rev Amort - Contrib	36.9	0.0	36.9	0.0	36.9	0.0	36.9
35.00% --Federal Tax	1,599.3	(32.4)	1,566.9	404.1	1,162.8	85.7	1,077.1
TOTAL INCOME TAX	1,960.8	(40.3)	1,920.5	506.2	1,414.3	93.2	1,321.1

**RECONCILIATION EXHIBIT:
SOUTHERN CALIFORNIA WATER COMPANY
ORANGE COUNTY DISTRICT -- A 98-03-032**

TEST YEAR 2000

INCOME TAX CALCULATION	Original Applicant	Increase	Final Applicant	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Total Operating Revenues	18,840.7	250.0	19,090.7	0.0	19,090.7	(293.7)	19,384.4
Operating Expenses	16,719.9	27.2	16,747.1	0.0	16,747.1	1,185.1	15,562.0
Interest on LTD	1,795.8	(104.4)	1,691.4	0.0	1,691.4	16.6	1,674.8
Book Depr'n (w/ G.O.)	(1,663.4)	13.2	(1,650.2)	0.0	(1,650.2)	2.7	(1,652.9)
Total Deductions	16,852.3	(64.0)	16,788.3	0.0	16,788.3	1,204.4	15,583.9
State Tax Depreciation	2,308.3	(3.8)	2,304.5	0.0	2,304.5	61.2	2,243.3
Other State Schedule M	(71.8)	0.0	(71.8)	0.0	(71.8)	0.0	(71.8)
8.84% --State Tax	(21.9)	28.1	6.2	0.0	6.2	(137.8)	144.0
Book Depr'n (w/ G.O.)	1,663.4	(13.2)	1,650.2	0.0	1,650.2	(2.7)	1,652.9
Tax Depr. - Flow Through	(358.6)	0.0	(358.6)	0.0	(358.6)	(10.1)	(348.5)
State Tax Deduction	361.5	(7.9)	353.6	102.1	251.5	(258.9)	510.4
Other Fed Schedule M	(66.7)	0.0	(66.7)	0.0	(66.7)	0.0	(66.7)
Def Rev Amort - Contrib	29.2	0.0	29.2	0.0	29.2	0.0	29.2
35.00% --Federal Tax	125.9	117.3	243.2	(35.7)	278.9	(429.2)	708.1
TOTAL INCOME TAX	104.0	145.4	249.4	(35.7)	285.1	(567.0)	852.1

AT PROPOSED RATES:

Total Operating Revenues	23,258.3	(264.1)	22,994.2	1,259.7	21,734.5	1,413.9	20,320.6
Operating Expenses	16,782.1	17.1	16,799.2	16.8	16,782.4	1,206.8	15,575.6
Interest on LTD	1,795.8	(104.4)	1,691.4	0.0	1,691.4	16.6	1,674.8
Book Depr'n (w/ G.O.)	(1,663.4)	13.2	(1,650.2)	0.0	(1,650.2)	2.7	(1,652.9)
Total Deductions	16,914.5	(74.1)	16,840.4	16.8	16,823.6	1,226.1	15,597.5
State Tax Depreciation	2,308.3	(3.8)	2,304.5	0.0	2,304.5	61.2	2,243.3
Other State Schedule M	(71.8)	0.0	(71.8)	0.0	(71.8)	0.0	(71.8)
9.3% --State Tax	363.1	(16.5)	346.6	109.9	236.7	11.1	225.6
Book Depr'n (w/ G.O.)	1,663.4	(13.2)	1,650.2	0.0	1,650.2	(2.7)	1,652.9
Tax Depr. - Flow Through	(358.6)	0.0	(358.6)	0.0	(358.6)	(10.1)	(348.5)
State Tax Deduction	361.5	(7.9)	353.6	102.1	251.5	(258.9)	510.4
Other Fed Schedule M	(66.7)	0.0	(66.7)	0.0	(66.7)	0.0	(66.7)
Def Rev Amort - Contrib	29.2	0.0	29.2	0.0	29.2	0.0	29.2
35.00% --Federal Tax	1,650.2	(59.1)	1,591.1	399.3	1,191.8	160.8	1,031.0
TOTAL INCOME TAX	2,013.3	(75.6)	1,937.7	509.2	1,428.5	171.9	1,256.6

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
OJAI DISTRICT - A.98-03-033

TEST YEAR 1999

INCOME TAX CALCULATION	Original Applicant	Increase	Final Applicant	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Total Operating Revenues	1,874.2	(0.9)	1,873.3	0.0	1,873.3	(1.0)	1,874.3
Operating Expenses	1,474.7	(14.5)	1,460.2	0.0	1,460.2	101.1	1,359.1
Interest on LTD	244.0	(4.6)	239.4	0.0	239.4	0.9	238.5
Book Depr'n (w/ G.O.)	(161.6)	0.1	(161.5)	0.0	(161.5)	(0.3)	(161.2)
Total Deductions	1,557.1	(19.0)	1,538.1	0.0	1,538.1	101.7	1,436.4
State Tax Depreciation	171.4	0.0	171.4	0.0	171.4	0.4	171.0
Other State Schedule M	(12.6)	0.0	(12.6)	0.0	(12.6)	0.0	(12.6)
8.84% -State Tax	14.0	1.6	15.6	0.0	15.6	(9.1)	24.7
Book Depr'n (w/ G.O.)	161.6	(0.1)	161.5	0.0	161.5	0.3	161.2
Tax Depr. - Flow Through	(3.1)	0.0	(3.1)	0.0	(3.1)	0.0	(3.1)
State Tax Deduction	14.0	1.6	15.6	0.0	15.6	(9.9)	25.5
Other Fed Schedule M	(12.2)	0.0	(12.2)	0.0	(12.2)	0.0	(12.2)
Def Rev Amort - Contrib	1.1	0.0	1.1	0.0	1.1	0.0	1.1
35.00% -Federal Tax	54.5	5.8	60.3	0.0	60.3	(32.6)	92.9
TOTAL INCOME TAX	68.5	7.4	75.9	0.0	75.9	(41.7)	117.6

AT PROPOSED RATES:

Total Operating Revenues	2,369.1	(23.4)	2,345.7	185.8	2,159.9	110.8	2,049.1
Operating Expenses	1,483.9	(15.3)	1,468.6	3.3	1,465.3	102.6	1,362.7
Interest on LTD	244.0	(4.6)	239.4	0.0	239.4	0.9	238.5
Book Depr'n (w/ G.O.)	(161.6)	0.1	(161.5)	0.0	(161.5)	(0.3)	(161.2)
Total Deductions	1,566.3	(19.8)	1,546.5	3.3	1,543.2	103.2	1,440.0
State Tax Depreciation	171.4	0.0	171.4	0.0	171.4	0.4	171.0
Other State Schedule M	(12.6)	0.0	(12.6)	0.0	(12.6)	0.0	(12.6)
8.84% -State Tax	56.9	(0.3)	56.6	16.1	40.5	0.7	39.8
Book Depr'n (w/ G.O.)	161.6	(0.1)	161.5	0.0	161.5	0.3	161.2
Tax Depr. - Flow Through	(3.1)	0.0	(3.1)	0.0	(3.1)	0.0	(3.1)
State Tax Deduction	14.0	1.6	15.6	0.0	15.6	(9.9)	25.5
Other Fed Schedule M	(12.2)	0.0	(12.2)	0.0	(12.2)	0.0	(12.2)
Def Rev Amort - Contrib	1.1	0.0	1.1	0.0	1.1	0.0	1.1
35.00% -Federal Tax	224.5	(1.8)	222.7	63.9	158.8	6.0	152.8
TOTAL INCOME TAX	281.4	(2.1)	279.3	80.0	199.3	6.7	192.6

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
OJAI DISTRICT -- A 98-03-033

TEST YEAR 2000

INCOME TAX CALCULATION	Original Application	Increase	Final Applicant	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Total Operating Revenues	1,871.5	(0.8)	1,870.7	0.0	1,870.7	(0.9)	1,871.6
Operating Expenses	1,516.3	(15.7)	1,500.6	0.0	1,500.6	108.0	1,392.6
Interest on LTD	260.7	(6.5)	254.2	0.0	254.2	1.0	253.2
Book Depr'n (w/ G.O.)	(173.2)	0.3	(172.9)	0.0	(172.9)	(0.5)	(172.4)
Total Deductions	1,603.8	(21.9)	1,581.9	0.0	1,581.9	108.5	1,473.4
State Tax Depreciation	255.8	(0.1)	255.7	0.0	255.7	0.7	255.0
Other State Schedule M	(12.6)	0.0	(12.6)	0.0	(12.6)	0.0	(12.6)
8.84% --State Tax	2.2	1.8	4.0	0.0	4.0	(9.8)	13.8
Book Depr'n (w/ G.O.)	173.2	(0.3)	172.9	0.0	172.9	0.5	172.4
Tax Depr. - Flow Through	(6.9)	0.0	(6.9)	0.0	(6.9)	0.0	(6.9)
State Tax Deduction	56.9	(0.3)	56.6	0.6	56.0	(12.6)	68.6
Other Fed Schedule M	(12.2)	0.0	(12.2)	0.0	(12.2)	0.0	(12.2)
Def Rev Amort - Contrib	1.0	0.0	1.0	0.0	1.0	0.0	1.0
35.00% --Federal Tax	19.5	7.6	27.1	(0.2)	27.3	(34.1)	61.4
TOTAL INCOME TAX	21.7	9.4	31.1	(0.2)	31.3	(43.9)	75.2

AT PROPOSED RATES:

Total Operating Revenues	2,442.1	(26.2)	2,415.9	199.5	2,216.4	119.9	2,096.5
Operating Expenses	1,526.8	(16.7)	1,510.2	3.5	1,506.7	109.5	1,397.1
Interest on LTD	260.7	(6.5)	254.2	0.0	251.2	1.0	253.2
Book Depr'n (w/ G.O.)	(173.2)	0.3	(172.9)	0.0	(172.9)	(0.5)	(172.4)
Total Deductions	1,614.3	(22.9)	1,591.5	3.5	1,588.0	110.0	1,477.9
State Tax Depreciation	255.8	(0.1)	255.7	0.0	255.7	0.7	255.0
Other State Schedule M	(12.6)	0.0	(12.6)	0.0	(12.6)	0.0	(12.6)
8.84% --State Tax	51.7	(0.3)	51.4	17.3	34.1	0.8	33.3
Book Depr'n (w/ G.O.)	173.2	(0.3)	172.9	0.0	172.9	0.5	172.4
Tax Depr. - Flow Through	(6.9)	0.0	(6.9)	0.0	(6.9)	0.0	(6.9)
State Tax Deduction	56.9	(0.3)	56.6	0.6	56.0	(12.6)	68.6
Other Fed Schedule M	(12.2)	0.0	(12.2)	0.0	(12.2)	0.0	(12.2)
Def Rev Amort - Contrib	1.0	0.0	1.0	0.0	1.0	0.0	1.0
35.00% --Federal Tax	215.5	(0.9)	214.6	68.4	146.2	7.7	138.5
TOTAL INCOME TAX	267.2	(1.2)	266.0	85.7	180.3	8.5	171.8

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
SAN DIMAS DISTRICT - A 98-03-030

TEST YEAR 1999

INCOME TAX CALCULATION	Original Applicant	Increase	Final Applicant	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Total Operating Revenues	11,399.8	(44.1)	11,355.7	0.0	11,355.7	(86.1)	11,441.8
Operating Expenses	9,643.6	27.9	9,671.5	0.0	9,671.5	1,058.6	8,612.9
Interest on LTD	846.7	(23.5)	823.2	0.0	823.2	3.0	820.2
Book Depr'n (w/ G.O.)	(1,008.4)	0.3	(1,008.1)	0.0	(1,008.1)	(1.8)	(1,006.3)
Total Deductions	9,481.9	4.7	9,486.6	0.0	9,486.6	1,059.8	8,426.8
State Tax Depreciation	1,129.2	0.0	1,129.2	0.0	1,129.2	6.2	1,123.0
Other State Schedule M	10.8	0.0	10.8	0.0	10.8	0.0	10.8
8.84% -State Tax	68.8	(4.3)	64.5	0.0	64.5	(101.8)	166.3
Book Depr'n (w/ G.O.)	1,008.4	(0.3)	1,008.1	0.0	1,008.1	1.8	1,006.3
Tax Depr. - Flow Through	(88.4)	0.0	(88.4)	0.0	(88.4)	(4.5)	(83.9)
State Tax Deduction	68.8	(4.3)	64.5	0.0	64.5	(101.8)	166.3
Other Fed Schedule M	13.0	0.0	13.0	0.0	13.0	0.0	13.0
Def Rev Amort - Contrib	36.9	0.0	36.9	0.0	36.9	0.0	36.9
35.00% -Federal Tax	307.7	(15.5)	292.2	0.0	292.2	(364.5)	656.7
TOTAL INCOME TAX	376.5	(19.8)	356.7	0.0	356.7	(466.3)	823.0

AT PROPOSED RATES:

Total Operating Revenues	12,692.1	(22.1)	12,670.0	636.0	12,034.0	1,786.1	10,883.9
Operating Expenses	9,661.5	27.2	9,688.7	8.4	9,680.3	1,063.4	8,605.3
Interest on LTD	846.7	(23.5)	823.2	0.0	823.2	3.0	820.2
Book Depr'n (w/ G.O.)	(1,008.4)	0.3	(1,008.1)	0.0	(1,008.1)	(1.8)	(1,006.3)
Total Deductions	9,499.8	4.0	9,503.8	8.4	9,495.4	1,084.6	8,419.2
State Tax Depreciation	1,129.2	0.0	1,129.2	0.0	1,129.2	6.2	1,123.0
Other State Schedule M	10.8	0.0	10.8	0.0	10.8	0.0	10.8
8.84% -State Tax	181.4	(2.3)	179.1	55.5	123.6	61.5	117.6
Book Depr'n (w/ G.O.)	1,008.4	(0.3)	1,008.1	0.0	1,008.1	1.8	1,006.3
Tax Depr. - Flow Through	(88.4)	0.0	(88.4)	0.0	(88.4)	(4.5)	(83.9)
State Tax Deduction	68.8	(4.3)	64.5	0.0	64.5	(101.8)	166.3
Other Fed Schedule M	13.0	0.0	13.0	0.0	13.0	0.0	13.0
Def Rev Amort - Contrib	36.9	0.0	36.9	0.0	36.9	0.0	36.9
35.00% -Federal Tax	753.8	(7.6)	746.2	219.6	526.6	282.1	464.1

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
SAN DIMAS DISTRICT - A-98-03-030

TEST YEAR 2000

INCOME TAX CALCULATION	Original Application	Increase	Final Stipulation	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Total Operating Revenues	11,438.4	(44.4)	11,394.0	0.0	11,394.0	(86.8)	11,480.8
Operating Expenses	9,868.5	49.6	9,918.1	0.0	9,918.1	1,116.3	8,801.8
Interest on LTD	885.9	(29.7)	856.2	0.0	856.2	2.6	853.6
Book Depr'n (w/ G.O.)	(1,071.3)	2.0	(1,069.3)	0.0	(1,069.3)	(15.5)	(1,053.8)
Total Deductions	9,683.1	21.9	9,705.0	0.0	9,705.0	1,103.4	8,601.6
State Tax Depreciation	1,295.7	(0.1)	1,295.6	0.0	1,295.6	6.6	1,289.0
Other State Schedule M	10.8	0.0	10.8	0.0	10.8	0.0	10.8
8.84% -State Tax	39.7	(5.9)	33.8	0.0	33.8	(105.8)	139.6
Book Depr'n (w/ G.O.)	1,071.3	(2.0)	1,069.3	0.0	1,069.3	15.5	1,053.8
Tax Depr. - Flow Through	(115.9)	0.0	(115.9)	0.0	(115.9)	(0.6)	(115.3)
State Tax Deduction	181.4	(2.3)	179.1	55.5	123.6	(155.6)	279.2
Other Fed Schedule M	13.0	0.0	13.0	0.0	13.0	0.0	13.0
Def Rev Amort - Contrib	29.2	0.0	29.2	0.0	29.2	0.0	29.2
35.00% -Federal Tax	201.7	(21.7)	180.0	(19.4)	199.4	(367.4)	566.8
TOTAL INCOME TAX	241.4	(27.6)	213.8	(19.4)	233.2	(473.2)	706.4

AT PROPOSED RATES:

Total Operating Revenues	13,016.3	(11.3)	13,005.0	635.1	12,369.9	1,238.5	11,131.4
Operating Expenses	9,890.6	48.9	9,939.5	8.6	9,930.9	1,133.6	8,797.2
Interest on LTD	885.9	(29.7)	856.2	0.0	856.2	2.6	853.6
Book Depr'n (w/ G.O.)	(1,071.3)	2.0	(1,069.3)	0.0	(1,069.3)	(15.5)	(1,053.8)
Total Deductions	9,705.2	21.2	9,726.4	8.6	9,717.8	1,120.7	8,597.0
State Tax Depreciation	1,295.7	(0.1)	1,295.6	0.0	1,295.6	6.6	1,289.0
Other State Schedule M	10.8	0.0	10.8	0.0	10.8	0.0	10.8
8.84% -State Tax	177.2	(2.9)	174.3	55.3	119.0	9.9	109.1
Book Depr'n (w/ G.O.)	1,071.3	(2.0)	1,069.3	0.0	1,069.3	15.5	1,053.8
Tax Depr. - Flow Through	(115.9)	0.0	(115.9)	0.0	(115.9)	(0.6)	(115.3)
State Tax Deduction	181.4	(2.3)	179.1	55.5	123.6	(155.6)	279.2
Other Fed Schedule M	13.0	0.0	13.0	0.0	13.0	0.0	13.0
Def Rev Amort - Contrib	29.2	0.0	29.2	0.0	29.2	0.0	29.2
35.00% -Federal Tax	746.2	(9.8)	736.4	199.9	536.5	90.4	446.1
TOTAL INCOME TAX	923.4	(12.7)	910.7	255.2	655.5	100.3	555.2

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
SAN GABRIEL DISTRICT - A-98-03-031

TEST YEAR 1999

INCOME TAX CALCULATION	Original Application	Increase	Final Applicant	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Total Operating Revenues	4,620.8	52.6	4,673.4	0.0	4,673.4	(76.2)	4,749.6
Operating Expenses	3,969.6	42.0	4,011.6	0.0	4,011.6	375.0	3,636.6
Interest on LTD	501.2	(20.4)	480.8	0.0	480.8	2.3	478.5
Book Depr'n (w/ G.O.)	(583.1)	0.3	(582.8)	0.0	(582.8)	(0.9)	(581.9)
Total Deductions	3,887.7	21.9	3,909.6	0.0	3,909.6	376.4	3,533.2
State Tax Depreciation	520.8	0.0	520.8	0.0	520.8	3.8	517.0
Other State Schedule M	19.2	0.0	19.2	0.0	19.2	0.0	19.2
8.84% -State Tax	17.1	2.7	19.8	0.0	19.8	(40.3)	60.1
Book Depr'n (w/ G.O.)	583.1	(0.3)	582.8	0.0	582.8	0.9	581.9
Tax Depr. - Flow Through	(70.6)	0.0	(70.6)	0.0	(70.6)	(0.5)	(70.1)
State Tax Deduction	17.1	2.7	19.8	0.0	19.8	(40.3)	60.1
Other Fed Schedule M	20.5	0.0	20.5	0.0	20.5	0.0	20.5
Def Rev Amort - Contrib	36.9	0.0	36.9	0.0	36.9	0.0	36.9
35.00% -Federal Tax	51.1	9.9	61.0	0.0	61.0	(144.5)	205.5
TOTAL INCOME TAX	68.2	12.6	80.8	0.0	80.8	(184.8)	265.6

AT PROPOSED RATES:

Total Operating Revenues	5,814.9	(16.4)	5,798.5	373.7	5,424.8	789.5	5,009.0
Operating Expenses	3,993.5	39.4	4,032.9	7.1	4,025.8	392.9	3,640.1
Interest on LTD	501.2	(20.4)	480.8	0.0	480.8	2.3	478.5
Book Depr'n (w/ G.O.)	(583.1)	0.3	(582.8)	0.0	(582.8)	(0.9)	(581.9)
Total Deductions	3,911.6	19.3	3,930.9	7.1	3,923.8	394.3	3,536.7
State Tax Depreciation	520.8	0.0	520.8	0.0	520.8	3.8	517.0
Other State Schedule M	19.2	0.0	19.2	0.0	19.2	0.0	19.2
8.84% -State Tax	120.5	(3.1)	117.4	32.5	84.9	34.6	82.8
Book Depr'n (w/ G.O.)	583.1	(0.3)	582.8	0.0	582.8	0.9	581.9
Tax Depr. - Flow Through	(70.6)	0.0	(70.6)	0.0	(70.6)	(0.5)	(70.1)
State Tax Deduction	17.1	2.7	19.8	0.0	19.8	(40.3)	60.1
Other Fed Schedule M	20.5	0.0	20.5	0.0	20.5	0.0	20.5
Def Rev Amort - Contrib	36.9	0.0	36.9	0.0	36.9	0.0	36.9
35.00% -Federal Tax	460.7	(13.3)	447.4	128.4	319.0	152.3	295.1
TOTAL INCOME TAX	581.2	(16.4)	564.8	160.9	403.9	186.9	377.9

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
SAN GABRIEL DISTRICT -- A 93-03-031

TEST YEAR 2000

INCOME TAX CALCULATION	Original Application	Increase	Final Stipulation	Difference	Final Stipulation	Increase	Original Staff
AT PRESENT RATES:							
Total Operating Revenues	4,599.2	52.7	4,651.9	0.0	4,651.9	(76.1)	4,728.0
Operating Expenses	4,070.0	39.3	4,109.3	0.0	4,109.3	389.3	3,720.0
Interest on LTD	522.5	(23.2)	499.3	0.0	499.3	(16.5)	515.8
Book Depr'n (w/ G.O.)	(628.0)	1.6	(626.4)	0.0	(626.4)	(1.5)	(624.9)
Total Deductions	3,964.5	17.7	3,982.2	0.0	3,982.2	371.3	3,610.9
State Tax Depreciation	660.1	(0.1)	660.0	0.0	660.0	4.8	655.2
Other State Schedule M	19.2	0.0	19.2	0.0	19.2	0.0	19.2
8.84% --State Tax	(3.9)	3.1	(0.8)	0.0	(0.8)	(39.9)	39.1
Book Depr'n (w/ G.O.)	628.0	(1.6)	626.4	0.0	626.4	1.5	624.9
Tax Depr. - Flow Through	(84.0)	0.0	(84.0)	0.0	(84.0)	(13.9)	(70.1)
State Tax Deduction	120.5	(3.1)	117.4	32.5	84.9	(48.3)	165.7
Other Fed Schedule M	20.5	0.0	20.5	0.0	20.5	0.0	20.5
Def Rev Amort - Contrib	29.2	0.0	29.2	0.0	29.2	0.0	29.2
35.00% --Federal Tax	(27.8)	13.9	(13.9)	(11.3)	(2.6)	(135.3)	121.4
TOTAL INCOME TAX	(31.7)	17.0	(14.7)	(11.3)	(3.4)	(175.2)	160.5

AT PROPOSED RATES:

Total Operating Revenues	5,939.3	(17.9)	5,921.4	372.6	5,548.8	854.3	5,067.1
Operating Expenses	4,096.3	37.0	4,133.3	7.0	4,126.3	406.6	3,726.7
Interest on LTD	522.5	(23.2)	499.3	0.0	499.3	(16.5)	515.8
Book Depr'n (w/ G.O.)	(628.0)	1.6	(626.4)	0.0	(626.4)	(1.5)	(624.9)
Total Deductions	3,990.8	15.4	4,006.2	7.0	3,999.2	388.6	3,617.6
State Tax Depreciation	660.1	(0.1)	660.0	0.0	660.0	4.8	655.2
Other State Schedule M	19.2	0.0	19.2	0.0	19.2	0.0	19.2
8.84% --State Tax	112.2	(2.9)	109.3	32.4	76.9	40.8	68.5
Book Depr'n (w/ G.O.)	628.0	(1.6)	626.4	0.0	626.4	1.5	624.9
Tax Depr. - Flow Through	(84.0)	0.0	(84.0)	0.0	(84.0)	(13.9)	(70.1)
State Tax Deduction	120.5	(3.1)	117.4	32.5	84.9	(48.3)	165.7
Other Fed Schedule M	20.5	0.0	20.5	0.0	20.5	0.0	20.5
Def Rev Amort - Contrib	29.2	0.0	29.2	0.0	29.2	0.0	29.2
35.00% --Federal Tax	432.0	(10.0)	422.0	116.6	305.4	184.2	237.8

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
DESERT DISTRICT - A 93-03-029

TEST YEAR 1999

INCOME TAX CALCULATION	Original Application	Increase	Final Stipulation	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Total Operating Revenues	1,917.2	(1.2)	1,916.0	0.0	1,916.0	0.0	1,916.0
Operating Expenses	1,580.0	(53.6)	1,526.4	0.0	1,526.4	17.4	1,509.0
Interest on LTD	271.8	(27.0)	244.8	0.0	244.8	(1.2)	246.0
Book Depr'n (w/ G.O.)	(228.8)	0.0	(228.8)	0.0	(228.8)	0.0	(228.8)
Total Deductions	1,623.0	(80.6)	1,542.4	0.0	1,542.4	16.2	1,526.2
State Tax Depreciation	322.2	0.0	322.2	0.0	322.2	23.0	299.2
Other State Schedule M	5.5	0.0	5.5	0.0	5.5	0.0	5.5
8.84% -State Tax	(3.0)	7.1	4.1	0.0	4.1	(3.4)	7.5
Book Depr'n (w/ G.O.)	228.8	(0.0)	228.8	0.0	228.8	(0.0)	228.8
Tax Depr. - Flow Through	(30.1)	0.0	(30.1)	0.0	(30.1)	(2.2)	(27.9)
State Tax Deduction	(3.0)	7.1	4.1	0.0	4.1	(3.4)	7.5
Other Fed Schedule M	5.7	0.0	5.7	0.0	5.7	0.0	5.7
Def Rev Amort - Contrib	36.9	0.0	36.9	0.0	36.9	0.0	36.9
35.00% -Federal Tax	19.6	25.3	44.9	0.0	44.9	(3.7)	48.6
TOTAL INCOME TAX	16.6	32.4	49.0	0.0	49.0	(7.1)	56.1

AT PROPOSED RATES:

Total Operating Revenues	2,575.5	(162.4)	2,413.1	192.4	2,220.7	16.0	2,204.7
Operating Expenses	1,602.1	(61.0)	1,541.1	5.7	1,535.4	19.0	1,516.4
Interest on LTD	271.8	(27.0)	244.8	0.0	244.8	(1.2)	246.0
Book Depr'n (w/ G.O.)	(228.8)	0.0	(228.8)	0.0	(228.8)	0.0	(228.8)
Total Deductions	1,645.1	(88.0)	1,557.1	5.7	1,551.4	17.8	1,533.6
State Tax Depreciation	322.2	0.0	322.2	0.0	322.2	23.0	299.2
Other State Schedule M	5.5	0.0	5.5	0.0	5.5	0.0	5.5
8.84% -State Tax	53.3	(6.6)	46.7	16.5	30.2	(2.2)	32.4
Book Depr'n (w/ G.O.)	228.8	(0.0)	228.8	0.0	228.8	(0.0)	228.8
Tax Depr. - Flow Through	(30.1)	0.0	(30.1)	0.0	(30.1)	(2.2)	(27.9)
State Tax Deduction	(3.0)	7.1	4.1	0.0	4.1	(3.4)	7.5
Other Fed Schedule M	5.7	0.0	5.7	0.0	5.7	0.0	5.7
Def Rev Amort - Contrib	36.9	0.0	36.9	0.0	36.9	0.0	36.9
35.00% -Federal Tax	242.2	(28.5)	213.7	65.3	148.4	1.4	147.0

RECONCILIATION EXHIBIT
SOUTHERN CALIFORNIA WATER COMPANY
DESERT DISTRICT - A.98-03-029

TEST YEAR 2000

INCOME TAX CALCULATION	Original Application	Increase	Final SCWC	Difference	Final Staff	Increase	Original Staff
AT PRESENT RATES:							
Total Operating Revenues	1,907.2	(1.2)	1,906.0	0.0	1,906.0	(0.1)	1,906.1
Operating Expenses	1,673.4	(98.4)	1,575.0	0.0	1,575.0	26.1	1,548.9
Interest on LTD	311.2	(48.9)	262.3	0.0	262.3	(1.0)	263.3
Book Depr'n (w/ G.O.)	(273.2)	32.3	(240.9)	0.0	(240.9)	32.3	(273.2)
Total Deductions	1,711.4	(115.0)	1,596.4	0.0	1,596.4	57.4	1,539.0
State Tax Depreciation	356.5	0.1	356.6	0.0	356.6	45.0	311.6
Other State Schedule M	5.5	0.0	5.5	0.0	5.5	0.0	5.5
8.84% -State Tax	(14.7)	10.1	(4.6)	0.0	(4.6)	(9.0)	4.4
Book Depr'n (w/ G.O.)	273.2	(32.3)	240.9	0.0	240.9	(32.3)	273.2
Tax Depr. - Flow Through	(39.1)	0.0	(39.1)	0.0	(39.1)	(4.9)	(34.2)
State Tax Deduction	53.3	(6.6)	46.7	16.5	30.2	(34.4)	64.6
Other Fed Schedule M	5.7	0.0	5.7	0.0	5.7	0.0	5.7
Def Rev Amort - Contrib	29.2	0.0	29.2	0.0	29.2	0.0	29.2
35.00% -Federal Tax	(44.3)	53.5	9.2	(5.7)	14.9	4.9	10.0
TOTAL INCOME TAX	(59.0)	63.6	4.6	(5.7)	10.3	(4.1)	14.4

AT PROPOSED RATES:

Total Operating Revenues	2,812.0	(293.0)	2,519.0	198.5	2,320.5	39.0	2,281.5
Operating Expenses	1,703.7	(110.5)	1,593.2	5.7	1,587.5	28.9	1,558.6
Interest on LTD	311.2	(48.9)	262.3	0.0	262.3	(1.0)	263.3
Book Depr'n (w/ G.O.)	(273.2)	32.3	(240.9)	0.0	(240.9)	32.3	(273.2)
Total Deductions	1,741.7	(127.1)	1,614.6	5.7	1,608.9	60.2	1,548.7
State Tax Depreciation	356.5	0.1	356.6	0.0	356.6	45.0	311.6
Other State Schedule M	5.5	0.0	5.5	0.0	5.5	0.0	5.5
8.84% -State Tax	62.6	(14.7)	47.9	17.0	30.9	(5.9)	36.8
Book Depr'n (w/ G.O.)	273.2	(32.3)	240.9	0.0	240.9	(32.3)	273.2
Tax Depr. - Flow Through	(39.1)	0.0	(39.1)	0.0	(39.1)	(4.9)	(34.2)
State Tax Deduction	53.3	(6.6)	46.7	16.5	30.2	(34.4)	64.6
Other Fed Schedule M	5.7	0.0	5.7	0.0	5.7	0.0	5.7
Def Rev Amort - Contrib	29.2	0.0	29.2	0.0	29.2	0.0	29.2
35.00% -Federal Tax	261.8	(44.5)	217.3	61.7	155.6	17.6	138.0
TOTAL INCOME TAX	324.4	(59.2)	265.2	78.7	186.5	11.7	174.8

ATTACHMENT C

Reconciliation Exhibit
Southern California Water Co.
General Office A.98-03-0XX et al.

Test Year 1999

Item	Original Application	Increase	Final Applicant	Applicant Exceeds Staff	Final Staff	Increase	Original Staff
Operating Revenues	110.7		110.7		110.7		110.7
Common Customer Acct.	681.6	1.1	682.7		682.7	8.4	674.3
Postage	712.6		712.6		712.6		712.6
Operation Labor	1,528.2	(87.0)	1,441.2		1,441.2	15.6	1,425.6
Total Common Cust. Acct. Exp	2,922.4	(85.9)	2,836.5		2,836.5	24.0	2,812.5
General Office Expenses							
All Other Oper. Exp	193.5	0.7	194.2		194.2	(0.2)	194.4
Office Supplies	1,147.5	1.7	1,149.2		1,149.2	1.1	1,148.1
Prop Insurance	114.3	0.4	114.7		114.7	0.4	114.3
Inj. & Damages	1,656.0	5.9	1,661.9		1,661.9	22.1	1,639.8
Pension & Benefit	5,253.0	(281.3)	4,971.7		4,971.7	399.6	4,572.1
Business Meals	44.8	0.1	44.9		44.9	0.2	44.7
Reg Commission	500.0		500.0		500.0		500.0
Outside Services	800.4	1.2	801.6		801.6	0.7	800.9
Miscellaneous	786.7	1.2	787.9		787.9	0.8	787.1
Maint. G.O.	462.6	0.7	463.3		463.3	0.4	462.9
Rent	12.8		12.8		12.8	0.2	12.6
A&G Exp. Capital	(250.1)	(0.4)	(250.5)		(250.5)	12.2	(262.7)
A&G Labor	4,244.6	(241.5)	4,003.1		4,003.1	42.9	3,960.2
Sub-total	14,966.1	(511.2)	14,454.9		14,454.9	483.5	13,974.4
Depreciation	946.6	(8.0)	938.6		938.6	7.2	931.4
Ad. Val Taxes	478.9	(2.8)	476.2		476.2	(3.6)	479.8
Payroll Tax	510.3	(29.0)	481.3		481.3	23.3	458.0
Sub-total	989.2	(31.8)	957.4		957.4	19.6	937.8
Total Gen. Off. Exp.	16,901.9	(551.0)	16,350.9		16,350.9	507.3	15,843.6
Total Gen Off Exp (2) (less Revenues)	16,791.2	(551.0)	16,240.2		16,240.2	507.3	15,732.9
Total All Expenses (Cust & G.O.)	19,824.3	(636.9)	19,187.4		19,187.4	531.3	18,656.1

G.O. WTD AVG RATE BASE (2)

NOTES:

- (1) to be customer-factored revised four-factored
(2) revised four-factored

A.98-03-029, et al. ALJ/GEW/avs*

ATTACHMENT D

Reconciliation Exhibit
Southern California Water Co.
General Office A.93-03-0XX et al.

Test Year 2000

Item	Original Application	Increase	Final Applicant	Applicant Exceeds Staff	Final Staff	Increase	Original Staff
Operating Revenues	110.7		110.7		110.7		110.7
Common Customer Acct.	692.5	5.5	698.0		698.0	10.6	687.4
Postage	716.4		716.4		716.4		716.4
Operation Labor	1,595.2	(94.9)	1,500.3		1,500.3	37.6	1,452.7
Total Common Cust. Acct. Exp	3,004.1	(89.4)	2,914.7		2,914.7	43.2	2,866.5
General Office Expenses							
All Other Oper. Exp	196.6	1.9	198.5		198.5	(0.2)	198.7
Office Supplies	1,165.0	8.8	1,173.8		1,173.8	1.5	1,172.3
Prop Insurance	116.1	1.2	117.3		117.3	1.2	116.1
Inj. & Damages	1,682.5	16.6	1,699.1		1,699.1	23.2	1,675.9
Pension & Benefit	5,620.4	(537.4)	5,083.0		5,083.0	410.3	4,672.7
Business Meals	45.5	0.4	45.9		45.9	0.2	45.7
Reg Commission	500.0		500.0		500.0		500.0
Outside Services	813.2	6.4	819.6		819.6	1.1	818.5
Miscellaneous	799.3	6.3	805.6		805.6	1.1	804.5
Maint. G.O.	470.0	3.7	473.7		473.7	0.6	473.1
Rent	13.0	0.1	13.1		13.1	0.3	12.8
A&G Exp. Capital	(254.0)	(2.0)	(256.0)		(256.0)	12.3	(268.3)
A&G Labor	4,430.6	(263.4)	4,167.2		4,167.2	104.1	4,063.1
Sub-total	15,598.2	(757.2)	14,841.0		14,841.0	555.9	14,285.1
Depreciation	1,051.4	(26.0)	1,025.4		1,025.4	15.7	1,009.7
Ad. Val Taxes	478.9	(2.8)	476.1		476.1	(39.4)	515.5
Payroll Tax	532.7	(31.7)	501.0		501.0	35.3	465.7
Sub-total	1,011.6	(34.5)	977.1		977.1	(4.1)	981.2
Total Gen. Off. Exp.	17,661.2	(817.7)	16,843.5		16,843.5	567.5	16,276.0
Total Gen Off Exp (less Revenues)	17,550.5	(817.7)	16,732.8		16,732.8	567.5	16,165.3
Total All Expenses (Cust & G.O.)	20,665.3	(907.1)	19,758.2		19,758.2	615.7	19,142.5

G.O. WTD AVG RATE BASE

NOTES:

- (1)
(2)

(END OF APPENDIX D)