

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS**

Advice Letter Cover Sheet

Utility Name: San Gabriel Valley Water Co.

Date Mailed to Service List: 05/17/22

District: Los Angeles County Division

CPUC Utility #: U337W

Protest Deadline (20th Day): 06/06/22

Advice Letter #: 578

Review Deadline (30th Day): 06/16/22

Tier 1 2 3 Compliance

Requested Effective Date: 07/01/22

Authorization Decision 20-08-006

Rate Impact: \$3,010,700
3.9%

Description: Escalation Year 2022-2023 Rates

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was mailed to the service list. Please see the "Response or Protest" section in the advice letter for more information.

Utility Contact: Joel M. Reiker

Utility Contact: Crystal Navarro

Phone: (626) 448-6183

Phone: (626)448-6183

Email: jmreiker@sgvwater.com

Email: cjnavarro@sgvwater.com

DWA Contact: Tariff Unit

Phone: (415) 703-1133

Email: Water.Division@cpuc.ca.gov

DWA USE ONLY

DATE

STAFF

COMMENTS

APPROVED

WITHDRAWN

REJECTED

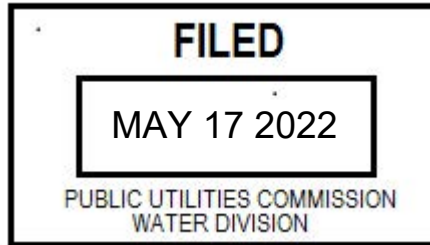
Signature: _____

Comments: _____

Date: _____

SAN GABRIEL VALLEY WATER COMPANY

May 17, 2022



Advice Letter No. 578

U337W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

San Gabriel Valley Water Company ("San Gabriel" or "Company") hereby requests ministerial review of the following changes in tariff sheets applicable to its Los Angeles County division:

CPUC Sheet No.	Title	Schedule No.	Cancelling CPUC Sheet No.
3207-W	General Metered Service	LA-1	3161-W
3208-W	General Metered Service (continued)	LA-1	3162-W
3209-W	General Metered Service – Conservation Rates	LA-1C	3163-W
3210-W	Private Fire Service	LA-4	3164-W
3211-W	Recycled Water Metered Service	LA-6	3165-W
3212-W	Recycled Water Metered Service (continued)	LA-6	3166-W
3213-W	Preliminary Statement, Paragraph H1	N/A	3167-W
3214-W	Table of Contents (continued)	N/A	3204-W
3215-W	Table of Contents	N/A	3206-W

San Gabriel submits this advice letter in compliance with California Public Utilities Commission ("CPUC" or "Commission") Decision ("D.") 20-08-006, issued August 12, 2020, in Application ("A.") No. 19-01-001 to implement a revenue increase of \$3,010,700, or 3.9% for Escalation Year 2022-2023. In accordance with Ordering Paragraph No. 7 of D.20-08-006 and Water Industry Rule 7.3.1(6) of General Order 96-B, **this is designated as a Tier 1 advice letter**, with a requested effective date of July 1, 2022.

Purpose and Background

This advice letter requests authority to implement rates for Escalation Year 2022-2023 as authorized by the Commission for the Los Angeles County division in D.20-08-006, issued August 12, 2020, in A.19-01-001. Ordering Paragraph No. 7 of D.20-08-006 states:

7. For Escalation Years 2021/2022 and 2022/2023, San Gabriel Valley Water Company shall submit a Tier 1 advice letter to implement escalation year rate increases or decreases consistent with the estimated increase or decreases shown in Appendices A and B hereto, in conformance with General Order 96-B on or before May 17, 2021 and May 17, 2022, respectively, as set forth in the Commission's Rate Case Plan (Decision 07-05-062) for

Class A Water Utilities. These advice letters shall include appropriate supporting workpapers. The revised tariff schedules shall take effect no earlier than July 1, 2021 and July 1, 2022, respectively, and apply to services rendered on and after their effective dates. The advice letters shall be reviewed by the Commission's Water Division. The Water Division shall inform the Commission if it finds that the revised rates do not conform to the Rate Case Plan, this order, or other Commission decisions, and if so, shall reject the advice letter filing.

In accordance with Ordering Paragraph No. 7 of Decision No. 20-08-006, the revised tariff schedules shall take effect on July 1, 2022.

The present rate schedules in the Los Angeles County division became effective on January 1, 2022, through Advice Letter 570-A to reflect revised Escalation Factor Memorandums for the previous Escalation Year 2021-2022.

Discussion

Based upon the escalation rates for 2022 and 2023 published on May 2, 2022 by the Public Advocates Office, San Gabriel requests an increase of \$3,010,700, or 3.9% for Escalation Year 2022-2023.

An earnings test is required to implement the Escalation Year 2022-2023 increase. The earnings test yielded a pro forma rate of return of 8.17%, which is less than the adjusted-adopted rate of return of 8.24%. Therefore, no earning test adjustment is needed in deriving the proposed rates.

The tariff schedules reflecting the proposed changes are attached hereto. San Gabriel has provided workpapers supporting the calculations of the Escalation Year revenue requirement, the earnings test, and proposed rates to the Commission's Water Division staff for their review as required by D.20-08-006. The proposed rates will increase the monthly bill of the typical customer with a 5/8" x 3/4" meter and using 12 hundred cubic feet ("Ccf") of water on General Service Rate Schedule LA-1 by \$2.81 or 3.6%, from \$77.41 to \$80.22. The proposed rates will increase the monthly bill of the typical residential customer with a 5/8" x 3/4" meter and using 12 Ccf of water on Conservation Rate Schedule LA-1C by \$2.76 or 3.6%, from \$76.04 to \$78.80.

Service and Notice

Distribution of this advice letter is being made to the attached service list in accordance with Water Industry Rule 4.1 of General Order 96-B. No other parties have requested notification of tariff filings related to the Los Angeles County division. In accordance with Water Industry Rule 3.3 of General Order 96-B, San Gabriel will also post this advice letter to its website www.sgvwater.com. San Gabriel will inform its customers of the overall net rate change effective July 1, 2022 in dollar and percentage terms by a billing message on the first bill on which the changes appear. No further public notice is required because all public notices in connection with Application No. 19-01-001 have already been made in accordance with applicable law and Commission rules.

Protest and Responses

Anyone may respond to or protest this advice letter. A response supports the filing and may contain information that proves useful to the Commission in evaluating the advice letter. A protest objects to the advice letter in whole or in part and must set forth the specific grounds on which it is based.

These grounds are:

- (1) San Gabriel did not properly serve or give notice of the advice letter;
- (2) The relief requested in the advice letter would violate statute or Commission order, or is not authorized by statute or Commission order on which San Gabriel relies;
- (3) The analysis, calculations, or data in the advice letter contain material error or omissions;
- (4) The relief requested in the advice letter is pending before the Commission in a formal proceeding;
- (5) The relief requested in the advice letter requires consideration in a formal hearing, or is otherwise inappropriate for the advice letter process; or
- (6) The relief requested in the advice letter is unjust, unreasonable, or discriminatory, provided that such a protest may not be made where it would require re-litigating a prior order of the Commission.

A protest may not rely on a policy objection to an advice letter where the relief requested in the advice letter follows rules or directions established by statute or Commission order applicable to the utility. A protest shall provide citations or proofs where available to allow staff to properly consider the protest. A response or protest must be made in writing or by electronic mail and must be received by the Water Division within 20 days of the date this advice letter is filed. The address for mailing or delivering a response or protest is:

Email Address:
water.division@cpuc.ca.gov

Mailing Address:
California Public Utilities Commission
Water Division, 3rd Floor
505 Van Ness Avenue
San Francisco, CA 94102

On the same date the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy of the protest by mail to San Gabriel addressed as follows:

Email Address:
jmreiker@sgvwater.com

Mailing Address:
San Gabriel Valley Water Company
Vice President of Regulatory Affairs
11142 Garvey Avenue
El Monte, CA 91733

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, within the 20 day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

The advice letter process does not provide for any further responses, protests or comments, except for San Gabriel's reply, after the 20-day comment period. San Gabriel will reply to each protest and may reply to any response. Each reply must be received by the Water Division within five business days after the end of the protest period, and shall be served on the same day to the person who filed the protest or response in accordance with General Order 96-B, General Rule 7.4.3.

If you have not received a reply to your protest within ten business days, contact San Gabriel at (626) 448-6183.

San Gabriel Valley Water Company

 /s/ Joel M. Reiker

Joel M. Reiker
Vice President of Regulatory Affairs

cc: Bruce DeBerry, CPUC – Water Division
Victor Chan, CPUC – Water Branch, Cal Advocates
Richard Rauschmeier, CPUC – Water Branch, Cal Advocates

VERIFICATION

I am Vice President of Regulatory Affairs for, and an officer of, San Gabriel Valley Water Company (“SGVWC”), and I am authorized to make this verification on its behalf with respect to customer notification of **Advice Letter 578** for the Los Angeles County Division. SGVWC intends to provide customer notification of **Advice Letter 578** to affected customers in the Los Angeles County division by: (check all that apply)

- Bill Insert
- Bill Message
- Individual Notice by Mail
- Legal Notices Published in a Local Newspaper of General Circulation
- Other (explain) _____

SGVWC will include a bill message on each of its Los Angeles County division customers’ first bill generated after the rate change goes into effect to inform them of the rate change approved in **Advice Letter 578**. To the extent any additional rate changes are made effective by advice letter on the same date, the bill message will be revised accordingly. Additionally, a copy of this advice letter and the bill message is posted on the Company’s website www.sgvwater.com. The foregoing statement is true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 17th day of May, 2022, at El Monte, California.

/s/ Joel M. Reiker

Joel M. Reiker
Vice President of Regulatory Affairs
San Gabriel Valley Water Company

Bill Message

Los Angeles County Division

Effective Jul. 1, your bill includes an increase for Escalation Year 2022-2023 as approved in Advice Letter 578. A typical residential customer will experience an increase of \$2.76 or 3.6%. If your bill covers a period before Jul. 1, it has been prorated. Learn more at <https://www.sgvwater.com/rates-regulatory/advice-letter-filings-with-cpuc/>.

ADVICE LETTER DISTRIBUTION LIST

San Gabriel Valley Water Company

Los Angeles County Division

Advice Letter No. 578

City of Arcadia
240 West Huntington Drive
Arcadia, CA 91006

City Clerk, City of Baldwin Park
14403 East Pacific Avenue
Baldwin Park, CA 91706

California-American Water Company
655 W. Broadway, Suite 1410
San Diego, CA 92101

City of El Monte Water Department
11333 Valley Boulevard
El Monte, CA 91734

Industry Public Utilities
Post Office Box 3165
City of Industry, CA 91744

City Clerk, City of Irwindale
5050 North Irwindale Avenue
Irwindale, CA 91706

City Clerk, City of La Puente
15900 East Main Street
La Puente, CA 91744

La Puente Valley County Water District
112 North 1st Street
La Puente, CA 91744

City of Montebello
1600 West Beverly Boulevard
Montebello, CA 90640

City of Monterey Park Water Department
320 West Newmark Avenue
Monterey Park, CA 91754

City of Pico Rivera Water Department
6615 Passons Boulevard
Pico Rivera, CA 90660

Pico Water District
Post Office Box 758
Pico Rivera, CA 90660-0758

City Clerk, City of West Covina
1444 West Garvey Avenue
West Covina, CA 91790

City Clerk, City of Rosemead
8838 Valley Boulevard
Rosemead, CA 91770

City Clerk, City of San Gabriel
425 South Mission Drive
San Gabriel, CA 91778

San Gabriel County Water District
8366 East Grand Avenue
Rosemead, CA 91770

City of Santa Fe Springs Water Department
Post Office Box 2120
Santa Fe Springs, CA 90670

City Clerk, City of South El Monte
1415 Santa Anita Avenue
South El Monte, CA 91733

Golden State Water Company
Attn: Ronald Moore, Regulatory Affairs
630 East Foothill Boulevard
San Dimas, CA 91773
rkmoore@gswater.com

Suburban Water Systems
Attn: Bob Kelly
1325 N. Grand Ave., Suite 100
Covina, CA 91724

Valley County Water District
14521 East Ramona Boulevard
Baldwin Park, CA 91706

City of Whittier Water Department
13230 East Penn Street
Whittier, CA 90602

Kiki Carlson
Suburban Water Systems
kcarlson@swwc.com

Liberty Utilities (Park Water) Corp.
9750 Washburn Road
P.O. Box 7002
Downey, CA 90241
AdviceLetterService@LibertyUtilities.com

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3207-W
Cal. P.U.C. Sheet No. 3161-W

SCHEDULE NO. LA-1
Los Angeles County Tariff Area
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service, except for those Residential customers required to be served under Schedule LA-1C.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft.....\$4.0566 (I)

Service Charge:

	Per Meter <u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 27.14	(I)
For 3/4-inch meter	40.71	
For 1-inch meter	67.86	
For 1-1/2-inch meter	135.69	
For 2-inch meter	217.16	
For 3-inch meter	407.06	
For 4-inch meter	678.50	
For 6-inch meter	1,352.00	
For 8-inch meter	2,174.00	
For 10-inch meter	3,120.00	
For 12-inch meter	4,483.00	
For 14-inch meter	5,970.00	(I)

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 578

J. M. Reiker
NAME

Date Filed _____

Decision No. _____

Vice President of Regulatory Affairs
TITLE

Effective _____

Resolution No. _____

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3208-W

Cal. P.U.C. Sheet No. 3162-W

SCHEDULE NO. LA-1
Los Angeles County Tariff Area
GENERAL METERED SERVICE
(continued)

<u>RATES</u> (continued)	Per Battery Per Month	
For two 2-inch meters	\$435.00	(1)
For three 2-inch meters	651.00	
For four 2-inch meters	868.00	
For two 3-inch meters	814.00	
For three 3-inch meters	1,221.00	
For two 4-inch meters	1,357.00	
For three 4-inch meters	2,039.00	
For one 8-inch meter, one 2-inch meter	2,118.00	(1)

The Service Charge is a readiness-to-serve charge which is 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. AA-UF.
2. All bills are subject to the applicable surcharges and surcredits set forth in Schedule No. LA-AS.

(To be inserted by utility)

Issued by

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

Advice Letter No. 578

J. M. Reiker

Date Filed _____

Decision No. _____

NAME
Vice President of Regulatory Affairs
TITLE

Effective _____

Resolution No. _____

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3209-W
Cal. P.U.C. Sheet No. 3163-W

SCHEDULE NO. LA-1C
Los Angeles County Tariff Area
GENERAL METERED SERVICE - CONSERVATION RATES

APPLICABILITY

Applicable to all metered Residential customers, excluding apartments, trailer parks, and any other facility in which Residential customers receive service through a master meter.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Quantity Rates:

For the first 11 Ccf of water used, per 100 cu. ft.....	\$3.8941	(I)
For all Ccf greater than 11 Ccf, per 100 Cu. Ft.....	\$4.4218	(I)

Per Meter
Per Month

Service Charges:

For 5/8 x 3/4-inch meter	\$ 27.14	(I)
For 3/4-inch meter.....	40.71
For 1-inch meter.....	67.86
For 1-1/2-inch meter	135.69
For 2-inch meter.....	217.16
For 3-inch meter.....	407.06	(I)

SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.
2. All bills are subject to the applicable surcharges and surcredits set forth on Schedule No. LA-AS.

(To be inserted by utility)

Issued by

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

Advice Letter No. 578

J. M. Reiker

Date Filed _____

Decision No. _____

NAME

Effective _____

Vice President of Regulatory Affairs

TITLE

Resolution No. _____

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3210-W

Cal. P.U.C. Sheet No. 3164-W

SCHEDULE NO. LA-4
Los Angeles County Division
PRIVATE FIRE SERVICE

APPLICABILITY

Applicable to water service furnished to private fire systems and to private fire hydrants.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATE

Per Service
Per Month

For each inch of diameter of service connection..... \$17.93 (I)

SPECIAL CONDITIONS

1. The customer will pay, without refund, the entire cost of the private fire service facilities.
2. The private fire service facilities shall be installed by the utility or under the utility's direction and shall be the sole property and subject to the control of the utility, with the right to alter, repair, replace and the right to remove upon discontinuance of service.
3. The minimum diameter for the private fire service connection will be 4 inches. The maximum diameter shall not be larger than the diameter of the water main to which the private fire service facilities are attached unless said main is circulating, in which case with the approval of the utility the maximum diameter may be larger by not more than 2 inches than the diameter of said circulating main.
4. If a water main of adequate size is not available adjacent to the premises to be served, then a new main from the nearest existing main of adequate size will be installed by the utility at the cost of the customer. Such cost shall not be subject to refund.
5. The private fire service facilities will include a detector check valve or other similar device acceptable to the utility which will indicate the use of water. The facilities may be located within the customer's premises or within public right of way adjacent thereto. Where located within the premises, the utility and its duly authorized agents shall have the right of ingress to and egress from the premises for all purposes related to said facilities. In the event the installation is solely a private fire hydrant facility, the requirement for a detector check valve or other similar device may be waived.

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 578

J. M. Reiker

Date Filed

Decision No.

NAME

Effective

Vice President of Regulatory Affairs

TITLE

Resolution No.

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3211-W

Cal. P.U.C. Sheet No. 3165-W

SCHEDULE NO. LA-6
Los Angeles County Tariff Area
RECYCLED WATER METERED SERVICE

APPLICABILITY

Applicable to all recycled water metered service.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Quantity Rates:

For all water delivered per 100 cu. ft. \$ 3.4480 (I)

Service Charge:

Per Meter
Per Month

For 5/8 x 3/4-inch meter	\$ 27.14	(I)
For 3/4-inch meter	40.71	
For 1-inch meter	67.86	
For 1-1/2-inch meter	135.69	
For 2-inch meter	217.16	
For 3-inch meter	407.06	
For 4-inch meter	678.50	
For 6-inch meter	1,352.00	
For 8-inch meter	2,174.00	
For 10-inch meter	3,120.00	
For 12-inch meter	4,483.00	
For 14-inch meter	5,970.00	(I)

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 578

J. M. Reiker
NAME

Date Filed _____

Decision No. _____

Vice President of Regulatory Affairs
TITLE

Effective _____

Resolution No. _____

SCHEDULE NO. LA-6
Los Angeles County Tariff Area
RECYCLED WATER METERED SERVICE
(continued)

RATES – (continued)

	Per Battery Per Month	
For two 2-inch meters	\$ 435.00	(I)
For three 2-inch meters	651.00	
For four 2-inch meters	868.00	
For two 3-inch meters	814.00	
For three 3-inch meters	1,221.00	
For two 4-inch meters	1,357.00	
For three 4-inch meters	2,039.00	
For one 8-inch meter, one 2-inch meter	2,118.00	(I)

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

SPECIAL CONDITIONS

1. The Quantity Rate is set at 85% of the Quantity Rate of Schedule No. LA-1.
2. The customer is responsible for compliance with all local, state, and federal rules and regulations that apply to the use of reclaimed water on the customer's premises.
3. The utility will supply only such reclaimed water at such pressure as may be available from time to time from the reclaimed water system. The customer shall indemnify the utility and save it harmless against any and all claims arising out of service under this schedule and shall further agree to make no claims against the utility for any loss or damage resulting from service under this schedule.
4. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.
5. All bills are subject to the applicable surcharges and surcredits set forth on Schedule No. LA-AS.

(To be inserted by utility)

Issued by

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

Advice Letter No. 578

J. M. Reiker

Date Filed _____

Decision No. _____

NAME

Effective _____

Vice President of Regulatory Affairs

TITLE

Resolution No. _____

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3213-W
Cal. P.U.C. Sheet No. 3167-W

PRELIMINARY STATEMENT
(Continued)

H1. Water Revenue Adjustment Mechanism (WRAM) Memorandum Account for the Los Angeles County Division

1. Purpose: The purpose of this memorandum account is to track the Quantity Rate revenues collected under Schedule LA-1C tiered rates against the revenues that would have been collected under a single block Quantity Rate.
2. The following entries will be made monthly to the WRAM memorandum Account in the Los Angeles County division:
 - a. The recorded revenues collected through the tiered Quantity Rate under Schedule No. LA-1C (debit).
 - b. The calculated revenues that would have been collected under a single block Quantity Rate for the same water usage as in 2a above (credit).
 - c. The CPUC-adopted Quantity Rates (\$/Ccf) to be used in calculating the revenues for 2a and 2b above are as follows:

<u>Effective Date</u>	<u>Single Block Rate</u>	<u>0-13 Ccf/mo.</u>	<u>Over 13 Ccf/mo.</u>
		<u>Tier 1 Rate</u>	<u>Tier 2 Rate</u>
July 1, 2019	\$3.5644	\$3.4256	\$3.8884
July 1, 2020	\$3.5644	\$3.4256	\$3.8884
		<u>0-11 Ccf/mo.</u>	<u>Over 11 Ccf/mo.</u>
July 1, 2020	\$3.2680	\$3.1237	\$3.5923
August 19, 2020	\$3.4920	\$3.3477	\$3.8163
July 1, 2021	\$3.7772	\$3.6211	\$4.1280
January 1, 2022	\$3.8957	\$3.7396	\$4.2465
January 1, 2022	\$3.9062	\$3.7497	\$4.2579
July 1, 2022	\$4.0566	\$3.8941	\$4.4218

(I)

- d. Franchise fees and uncollectible account expense, based on the net of 2a and 2b above, and the CPUC-adopted rates for franchise fees and uncollectible expenses.
- e. Monthly interest calculated at 1/12 of the most recent month's interest rate on Commercial Paper (prime, 3-month), published in the Federal Reserve Statistical Release, H.15 (<http://www.federalreserve.gov/releases/H15/data/m/cp3m.txt>), or its successor publication.
3. The balance in the memorandum account shall be amortized by a Tier 1 advice letter whenever the balance exceeds 2% of the authorized revenue requirement for the preceding calendar year. If the balance is below 2%, San Gabriel shall propose its amortization in a general rate case.
4. The memorandum account will terminate when so ordered in a CPUC general rate case decision, at which time any remaining debit (undercollection) or credit (overcollection) balance will be amortized through a rate surcharge or surcredit.

Authorization: Established pursuant to D.10-04-031, Ordering Paragraph 4; and Advice Letter 385

(To be inserted by utility)

Issued by

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

Advice Letter No. 578

J. M. Reiker

Date Filed _____

Decision No. _____

NAME

Effective _____

Vice President of Regulatory Affairs

TITLE

Resolution No. _____

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3214-W _____
Cal. P.U.C. Sheet No. 3204-W _____

TABLE OF CONTENTS
(continued)

<u>Subject Matter of Sheet</u>	<u>Schedule Number</u>	<u>C.P.U.C. Sheet No.</u>	
<u>Rate Schedules</u>			
Los Angeles County Division			
General Metered Service - General	LA-1	3207-W, 3208-W	(T)
General Metered Service - Conservation	LA-1C	3209-W	(T)
Private Fire Service	LA-4	3210-W, 1089-W, 1507-W	(T)
Recycled Water Metered Service	LA-6	3211-W, 3212-W	(T)
Construction Service	LA-9	2698-W, 2699-W	
California Alternative Rates for Water	LA-CARW	3198-W, 3067-W	
Additional Surcharges/Surcredits	LA-AS	3183-W	

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 578

J. M. Reiker
NAME

Date Filed _____

Decision No. _____

Vice President of Regulatory Affairs
TITLE

Effective _____

Resolution No. _____

TABLE OF CONTENTS

The following listed tariff sheets contain all effective rates and rules affecting the rates and services of the utility, together with information relating thereto:

<u>Subject Matter of Sheet</u>	<u>C.P.U.C. Sheet No.</u>
Title Page	1559-W
Table of Contents	3215-W, 3214-W (T) 3191-W, 2935-W, 3196-W, 3205-W
Preliminary Statement	634-W, 390-W, 2878-W, 2879-W, 3141-W, 3142-W, 3213-W, 3181-W, 2782-W, 2783-W, 2395-W, (T) 2880-W, 2744-W, 2749-W, 3081-W, 2401-W, 2715-W to 2718-W, 3082-W, 3083-W, 2986-W, 2984-W, 3055-W, 3011-W, 2412-W, 2668-W
Service Area Maps:	
Fontana Water Company	1533-W
Los Angeles County Division	
Service Area - East Portion	1183-W
- South Portion	869-W
- West Portion	2690-W
Area Maps of Less Than 40 p.s.i.g.	871-W 691-W to 697-W
<u>Rate Schedules</u>	<u>Schedule Number</u>
All Tariff Areas	
Surcharge to Fund Public Utilities	
Commission Reimbursement Fee	AA-UF 3058-W
Stages Water Shortage Surcharges and Penalties	14.1 2580-W, 2482-W to 2484-W, 2581-W
Fontana Water Company	
General Metered Service - General	FO-1 3178-W, 3171-W
General Metered Service - Conservation	FO-1C 3179-W
Private Fire Service	FO-4 3173-W, 1087-W, 1476-W
Recycled Water Metered Service	FO-6 3180-W, 3175-W
Construction Service	FO-9 2707-W, 2708-W
California Alternative Rates For Water	FO-CARW 3199-W, 3076-W
Additional Surcharges/Surcredits	FO-AS 3077-W
Facilities Fees	FO-FF 3078-W, 1876-W

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 578

J. M. Reiker
NAME

Date Filed _____

Decision No. _____

Vice President of Regulatory Affairs
TITLE

Effective _____

Resolution No. _____

AL 578
WORKPAPERS

WORKPAPER INDEX

	<u>Page</u>
<u>ESCALATION YEAR INCREASE CALCULATION</u>	
Escalation Factors	1
Summary of Earnings	2
Income Taxes	3
<u>RATE DESIGN & TYPICAL BILL</u>	
Rate Design	4
Typical Bill Calculation	5
Revenues at Present and Proposed Rates	6-10
<u>PRO FORMA EARNINGS TEST</u>	11-17
<u>SUPPORTING DOCUMENTS</u>	
Recorded Quantities (Summary)	18
Present Adopted Tariff Schedules	19 - 25
D.20-08-006 (A.19-01-001) Appendix, A, Page 1 (Summary of Earnings)	26
D.20-08-006 (A.19-01-001) Appendix A, Page 1 (Avg. Depreciated Rate Base)	27
D.20-08-006 (A.19-01-001) Settlement Workpaper (Water Cost Summary)	28
D.20-08-006 (A.19-01-001) Settlement Workpaper (Misc.)	29
D.20-08-006 (A.19-01-001) Settlement Workpaper LRV2	30
D.20-08-006 (A.19-01-001) Settlement Workpaper LRV5	31 - 35
D.20-08-006 (A.19-01-001) Settlement Workpaper TABLE 7C-2	36
D.20-08-006 (A.19-01-001) Settlement Workpaper TABLE 8C	37
Advice Letter 554 Workpaper, Pg. 3 (Water Cost Summary)	38
Advice Letter 568 Workpaper, Pg. 4 (Purchased Power Expenses)	39
Advice Letter 570-A Workpaper, Pg. 3 (Summary of Earnings)	40
Recorded Quantities (Raw Data)	41 - 44
Recycled Water Contract Rates	45
Consumer Price Index Data	46 - 47
Cal Advocates Escalation Factor Memos	48 - 50
Recorded Summary of Earnings	51

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 578
 Escalation Factors
 (\$000)

Category	Adopted Quantities (D.20-08-006)	Escalation	
		Rate	Factor
Total Customers - E.Y. 2021-2022	47,882		
Total Customers - E.Y. 2022-2023	47,987	0.22%	1.0022
Total Sales (Ccf) - E.Y. 2021-2022	13,850,752	30	
Total Sales (Ccf) - E.Y. 2022-2023	13,875,624	0.18%	1.0018
B.O.Y. Utility Plant - E.Y. 2021-2022	\$409,296.6		
B.O.Y. Utility Plant - E.Y. 2022-2023	\$431,369.3	57	5.39%
Average Utility Plant - E.Y. 2021-2022	\$421,612.2		
Average Utility Plant - E.Y. 2022-2023	\$441,126.4	48	4.63%
Labor		48	5.75%
Non-Labor			1.50%
Composite Non-Labor			3.20%
Compensation/hr.		50	5.20%
CPI-U		47	8.26%
Composite Non-Labor + Cust. Growth			0.22% + 3.2% = 3.42%
Labor + Cust. Growth			0.22% + 5.75% = 5.97%
CPI-U + Cust. Growth			0.22% + 8.26% = 8.48%

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 578
 Summary of Earnings
 (\$000)

	(40)		Escalation (1)		Proposed - Esc. Year 2022-2023
	Current Adopted - AL 570-A	Basis	Rate / Factor	Increase \$ %	
Operating Revenues	\$88,034.3	Calculated		(3,010.7) 3.4%	\$91,045.0
Operating Expenses					
Purchased Water & Assessments	\$22,955.2	Sales Growth	1.0018	\$41.2	\$22,996.4
Purchased Power	\$5,284.4	Sales Growth	1.0018	\$9.5	\$5,293.9
Chemicals	\$3,638.6	Composite Non-Labor + Cust. Growth	1.0342	\$124.4	\$3,763.0
Payroll	\$6,423.3	Labor + Cust. Growth	1.0597	\$383.4	\$6,806.7
Materials & Supplies	\$1,556.3	Composite Non-Labor + Cust. Growth	1.0342	\$53.2	\$1,609.5
Transportation	\$928.0	Composite Non-Labor + Cust. Growth	1.0342	\$31.7	\$959.7
Insurance	\$1,297.3	Composite Non-Labor + Cust. Growth	1.0342	\$44.4	\$1,341.7
Pensions & Benefits	\$2,815.1	Labor + Cust. Growth	1.0597	\$168.0	\$2,983.1
Uncollectibles	\$64.1	Calculated	(26) 0.0808%	\$2.4	\$66.6
Franchise Fees	\$784.7	Calculated	0.9894%	\$29.8	\$814.5
Regulatory Commission Expense	\$383.7	Composite Non-Labor + Cust. Growth	1.0342	\$13.1	\$396.8
Outside Services	\$1,840.3	CPI-U + Cust. Growth	1.0848	\$156.0	\$1,996.3
Utilities & Rents	\$1,431.9	Composite Non-Labor + Cust. Growth	1.0342	\$49.0	\$1,480.9
Miscellaneous Expense	\$1,108.9	Composite Non-Labor + Cust. Growth	1.0342	\$37.9	\$1,146.8
Administrative Expense Transferred	(\$2,220.2)	Composite Non-Labor + Cust. Growth	1.0342	(\$75.9)	(\$2,296.1)
Subtotal	\$48,291.6			\$1,068.2	\$49,359.8
Allocated Common Expenses	\$6,586.0	Composite Non-Labor + Cust. Growth	1.0342	\$225.2	\$6,811.2
Total Operating Expense	\$54,877.6			\$1,293.4	\$56,171.0
Depreciation	\$7,781.2	Average Plant	1.0463	\$360.2	\$8,141.4
Ad Valorem Taxes	\$2,176.1	B.O.Y. Plant	1.0539	\$117.4	\$2,293.5
Payroll Taxes	\$873.7	Labor + Cust. Growth	1.0597	\$52.2	\$925.9
Total Expense before Income Taxes	\$65,708.7			\$1,823.1	\$67,531.8
Net Revenue Before Income Taxes	\$22,325.6				\$23,513.2
State Income Tax	\$886.1	Calculated			\$838.7
Federal Income Tax	\$3,686.2	Calculated			\$3,804.2
Total Expenses	\$70,281.0				\$72,174.7
Net Operating Revenues	\$17,753.3				\$18,870.3
Rate Base	\$218,643.6	Adopted			\$232,528.1 (27)
Rate of Return	8.12%				8.12%

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 578
 Income Taxes
 (\$000)

	(36) Test Year 2020-2021 <u>D.20-08-006</u>	Esc. Year 2022-2023
Operating Revenues	\$77,518.1	\$91,045.0 (2)
Deductions		
Operating Expenses, excluding Depreciation & Income Taxes	\$52,551.8	\$59,390.4 (2)
Interest Expense	\$4,490.0	\$5,092.4 (2.19% x \$232,528.1)
Subtotal	<u>\$57,041.8</u>	<u>\$64,482.8</u> (2)
State Tax Calculation		
Taxable Income Before Deductions	\$20,476.3	\$26,562.2
Less: Depreciation-State	\$12,715.5	\$16,512.1 (36)
Less: Repair Regulations Deduction	<u>\$1,339.9</u>	<u>\$1,307.2</u>
State Taxable Income	\$6,420.8	\$8,742.9
State Corporate Franchise Tax at 8.84% (36)	\$567.6	\$772.9
Amortization of CIAC Tax	<u>\$49.9</u>	<u>\$65.8</u> (36)
Total State Income Tax Expense	<u><u>\$617.5</u></u>	<u><u>\$838.7</u></u>
Federal Tax Calculation		
Taxable Income Before Deductions	\$20,476.3	\$26,562.2
Less: Depreciation-Federal (book)	\$7,326.7	\$8,272.8 (36)
Less: State Corp. Franchise Tax - Prior Yr.	<u>\$1,036.3</u>	<u>\$852.9</u>
Federal Taxable Income	\$12,113.4	\$17,436.5
Federal Tax at 21.00% (36)	\$2,543.8	\$3,661.7
Amortization of CIAC Tax	\$108.1	\$142.5
Amortization of EDIT	(\$278.4)	(\$278.4) (36)
Amortization of EDIT (Jan. 2018 - Jun. 2020)	<u>(\$1,980.5)</u>	<u>\$0.0</u>
Total Federal Income Tax Expense	<u><u>\$393.0</u></u>	<u><u>\$3,804.2</u></u>

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 578
 Rate Design

Calculation of Required Revenue Increase

Revenues at Present Rates	\$88,370,203 (6)
Revenues Not Subject to Escalation Increase:	
Recycled Contract Quantity Rate (not tied to LA-1)	(\$1,437,546) (7)
Miscellaneous Revenues	(\$8,733,191) (6)
Revenues Subject to Rate Change	\$78,199,466
Escalation Year Increase	\$3,010,700 (2)
Earnings Test Adjustment	\$0 (17)
Proposed Revenue Increase	\$3,010,700
% Change to Rates	3.9%

Quantity Rates

Schedule LA-1
 LA-1C Tier 1 (0 - 11 Ccf)
 LA-1C Tier 2 (Greater than 11 Ccf) (21)
 Schedule LA-6
 Recycled Contract - Jose Munoz Nursery
 Recycled Contract - City of Montebello (Grant Rea Park)
 Recycled Contract - LACP&R (Whittier Narrows)
 Recycled Contract - LACP&R (Golf Course)

	Present	Proposed
	AL 570-A	AL 578
(19) Schedule LA-1	\$3.9062	\$4.0566
(21) LA-1C Tier 1	\$3.7497	\$3.8941
(21) LA-1C Tier 2	\$4.2579	\$4.4218
(25) Schedule LA-6	\$3.3202	\$3.4480
Recycled Contract - Jose Munoz Nursery	\$2.6225	\$2.7235
Recycled Contract - City of Montebello (Grant Rea Park)	\$2.9912	\$3.0965
Recycled Contract - LACP&R (Whittier Narrows)	\$2.3003	\$2.3003
Recycled Contract - LACP&R (Golf Course)	\$3.1200	\$3.2500

Monthly Service Charges

¾ x ¾-inch meter
 ¾-inch meter
 1-inch meter
 1½-inch meter
 2-inch meter
 3-inch meter
 4-inch meter
 6-inch meter
 8-inch meter
 10-inch meter
 12-inch meter
 14-inch meter
 2 2-inch meters
 3 2-inch meters
 4 2-inch meters
 2 3-inch meters
 3 3-inch meters
 2 4-inch meters
 3 4-inch meters
 1 8, 1 2-inch meters
 Private Fire Service (Sch. LA-4)
 (rate per inch diameter of service connection)

	Present	Proposed
	AL 570-A	AL 578
¾ x ¾-inch meter	\$26.13	\$27.14
¾-inch meter	\$39.20	\$40.71
1-inch meter	\$65.34	\$67.86
1½-inch meter	\$130.66	\$135.69
2-inch meter	\$209.11	\$217.16
3-inch meter	\$391.97	\$407.06
4-inch meter	\$653.35	\$678.50
6-inch meter	\$1,301.49	\$1,352.00
8-inch meter	\$2,093.62	\$2,174.00
10-inch meter	\$3,004.06	\$3,120.00
12-inch meter	\$4,316.59	\$4,483.00
14-inch meter	\$5,748.43	\$5,970.00
2 2-inch meters	\$419.12	\$435.00
3 2-inch meters	\$626.68	\$651.00
4 2-inch meters	\$836.24	\$868.00
2 3-inch meters	\$784.10	\$814.00
3 3-inch meters	\$1,176.16	\$1,221.00
2 4-inch meters	\$1,306.51	\$1,357.00
3 4-inch meters	\$1,963.27	\$2,039.00
1 8, 1 2-inch meters	\$2,039.47	\$2,118.00
Private Fire Service (Sch. LA-4) (rate per inch diameter of service connection)	(22) \$17.27	\$17.93

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 578
 Typical Bill Calculation

Monthly Bill Comparison (non-CARW)

	Rates		Typical Monthly Usage (Ccf)	Monthly Bill (12 Ccf)		Increase / (Decrease)	
	Present AL 570-A	Proposed AL 578		Present AL 570-A	Proposed AL 578	\$	%
<u>Schedule LA-1</u>							
Monthly Service Charge (5/8"x3/4")	(4) \$26.13	(4) \$27.14		\$26.13	\$27.14		
Quantity Rate Per Ccf	(4) \$3.9062	(4) \$4.0566	12	\$46.87	\$48.68		
<u>Schedule LA-AS</u>							
CARW Funding Surcharge Per Ccf	(25) \$0.2158	(25) \$0.2158	12	\$2.59	\$2.59		
Power Cost Bal. Acct. Amortization Schg. (AL 573)	(25) \$0.1512	(25) \$0.1512	12	\$1.81	\$1.81		
Total Bill				\$77.41	\$80.22	\$2.81	3.6%

	Rates		Typical Monthly Usage (Ccf)	Monthly Bill (12 Ccf)		Increase / (Decrease)	
	Present AL 570-A	Proposed AL 578		Present AL 570-A	Proposed AL 578	\$	%
<u>Schedule LA-1C</u>							
Monthly Service Charge (5/8"x3/4")	(4) \$26.13	(4) \$27.14		\$26.13	\$27.14		
Tier 1 Quantity Rate Per Ccf (0 - 11 Ccf)	(4) \$3.7497	(4) \$3.8941	11	\$41.25	\$42.84		
Tier 2 Quantity Rate Per Ccf (Greater than 11 Ccf)	(4) \$4.2579	(4) \$4.4218	1	\$4.26	\$4.42		
<u>Schedule LA-AS</u>							
CARW Funding Surcharge Per Ccf	(25) \$0.2158	(25) \$0.2158	12	\$2.59	\$2.59		
Power Cost Bal. Acct. Amortization Schg. (AL 573)	(25) \$0.1512	(25) \$0.1512	12	\$1.81	\$1.81		
Total Bill				\$76.04	\$78.80	\$2.76	3.6%

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 578
 Quantity Rate Revenues at Present and Proposed Rates

Customer Class	Adopted Sales (Ccf) Esc. Year 2022-2023	Quantity Rates (\$/Ccf)		Quantity Rate Revenues	
		Present	Proposed	Present	Proposed
Residential - Single Family Tier 1	3,967,325	\$3.7497	\$3.8941	\$14,876,279	\$15,449,160
Residential - Single Family Tier 2	1,765,803	\$4.2579	\$4.4218	\$7,518,613	\$7,808,028
Residential - Single Family Total	5,733,128			\$22,394,891	\$23,257,188
Residential - Multi-Family - Small	1,418,120	\$3.9062	\$4.0566	\$5,539,460	\$5,752,746
Residential - Multi-Family - Large	813,780	\$3.9062	\$4.0566	\$3,178,787	\$3,301,180
Commercial - Small	1,251,065	\$3.9062	\$4.0566	\$4,886,910	\$5,075,070
Commercial - Large	1,509,664	\$3.9062	\$4.0566	\$5,897,050	\$6,124,103
Industrial - Small	11,271	\$3.9062	\$4.0566	\$44,027	\$45,722
Industrial - Large	907,725	\$3.9062	\$4.0566	\$3,545,755	\$3,682,277
Public Authority - Small	134,232	\$3.9062	\$4.0566	\$524,337	\$544,526
Public Authority - Large	955,907	\$3.9062	\$4.0566	\$3,733,964	\$3,877,732
Construction	12,444	\$3.9062	\$4.0566	\$48,609	\$50,480
Recycled Contract - Jose Munoz Nursery	5,675	\$2.6225	\$2.7235	\$14,883	\$15,456
Recycled Contract - City of Montebello (Grant Rea Park)	14,710	\$2.9912	\$3.0965	\$44,001	\$45,550
Recycled Contract - LACP&R (Whittier Narrows)	368,569	\$2.3003	\$2.3003	\$847,819	\$847,819
Recycled Contract - LACP&R (Golf Course)	189,015	\$3.1200	\$3.2500	\$589,727	\$614,299
Recycled - tariff	550,319	\$3.3202	\$3.4480	\$1,827,169	\$1,897,500
Total	13,875,624			\$53,117,389	\$55,131,648
Increase					\$2,014,259
% Increase					3.8%

30

4

4

\$1,437,546

\$3,420,604

\$3,323,529

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 578
 Service Charge Revenues at Present and Proposed Rates

Customer Class & Meter Size	Adopted Customers Esc. Year 2022-2023	Service Charges (\$/Month)		Service Charge Revenues	
		Present	Proposed	Present	Proposed
Residential Single Family					
3/4 x 3/4-inch meter	31,201	\$26.13	\$27.14	\$9,783,386	\$10,161,542
3/4-inch meter	2,963	\$39.20	\$40.71	\$1,393,795	\$1,447,485
1-inch meter	5,007	\$65.34	\$67.86	\$3,925,889	\$4,077,300
1 1/2-inch meter	76	\$130.66	\$135.69	\$119,162	\$123,749
2-inch meter	21	\$209.11	\$217.16	\$52,696	\$54,724
Totals	39,268			\$15,274,927	\$15,864,800
Residential - Multi-Family - Small					
3/4 x 3/4-inch meter	1,710	\$26.13	\$27.14	\$536,188	\$556,913
3/4-inch meter	130	\$39.20	\$40.71	\$61,152	\$63,508
1-inch meter	547	\$65.34	\$67.86	\$428,892	\$445,433
1 1/2-inch meter	355	\$130.66	\$135.69	\$556,612	\$578,039
2-inch meter	189	\$209.11	\$217.16	\$474,261	\$492,519
Totals	2,931			\$2,057,104	\$2,136,412
Residential - Multi-Family - Large					
3/4 x 3/4-inch meter	1	\$26.13	\$27.14	\$314	\$326
3/4-inch meter	2	\$39.20	\$40.71	\$941	\$977
1-inch meter	12	\$65.34	\$67.86	\$9,409	\$9,772
1 1/2-inch meter	28	\$130.66	\$135.69	\$43,902	\$45,592
2-inch meter	137	\$209.11	\$217.16	\$343,777	\$357,011
6-inch meter	3	\$1,301.49	\$1,352.00	\$46,854	\$48,672
8-inch meter	8	\$2,093.62	\$2,174.00	\$200,988	\$208,704
10-inch meter	1	\$3,004.06	\$3,120.00	\$36,049	\$37,440
2 2-inch meters	22	\$419.12	\$435.00	\$110,648	\$114,840
3 2-inch meters	6	\$626.68	\$651.00	\$45,121	\$46,872
Totals	220			\$838,000	\$870,205
Commercial - Small					
3/4 x 3/4-inch meter	2,473	\$26.13	\$27.14	\$775,434	\$805,407
3/4-inch meter	179	\$39.20	\$40.71	\$84,202	\$87,445
1-inch meter	1,075	\$65.34	\$67.86	\$842,886	\$875,394
1 1/2-inch meter	435	\$130.66	\$135.69	\$682,045	\$708,302
2-inch meter	548	\$209.11	\$217.16	\$1,375,107	\$1,428,044
3-inch meter	5	\$391.97	\$407.06	\$23,518	\$24,424
4-inch meter	1	\$653.35	\$678.50	\$7,840	\$8,142
6-inch meter	2	\$1,301.49	\$1,352.00	\$31,236	\$32,448
2 2-inch meters	3	\$419.12	\$435.00	\$15,088	\$15,660
Totals	4,721			\$3,837,357	\$3,985,265

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 578
 Service Charge Revenues at Present and Proposed Rates (continued)

Customer Class & Meter Size	Adopted Customers Esc. Year 2022-2023	Service Charges (\$/Month)		Service Charge Revenues	
		Present	Proposed	Present	Proposed
		Commercial - Large			
¾ x ¾-inch meter	7	\$26.13	\$27.14	\$2,195	\$2,280
1-inch meter	16	\$65.34	\$67.86	\$12,545	\$13,029
1½-inch meter	28	\$130.66	\$135.69	\$43,902	\$45,592
2-inch meter	156	\$209.11	\$217.16	\$391,454	\$406,524
3-inch meter	9	\$391.97	\$407.06	\$42,333	\$43,962
4-inch meter	9	\$653.35	\$678.50	\$70,562	\$73,278
6-inch meter	5	\$1,301.49	\$1,352.00	\$78,089	\$81,120
8-inch meter	3	\$2,093.62	\$2,174.00	\$75,370	\$78,264
10-inch meter	2	\$3,004.06	\$3,120.00	\$72,097	\$74,880
2 2-inch meters	55	\$419.12	\$435.00	\$276,619	\$287,100
3 2-inch meters	7	\$626.68	\$651.00	\$52,641	\$54,684
4 2-inch meters	2	\$836.24	\$868.00	\$20,070	\$20,832
2 4-inch meters	4	\$1,306.51	\$1,357.00	\$62,712	\$65,136
Totals	303			\$1,200,590	\$1,246,681
Industrial - Small					
¾ x ¾-inch meter	3	\$26.13	\$27.14	\$941	\$977
1-inch meter	1	\$65.34	\$67.86	\$784	\$814
1½-inch meter	1	\$130.66	\$135.69	\$1,568	\$1,628
2-inch meter	8	\$209.11	\$217.16	\$20,075	\$20,847
Totals	13			\$23,367	\$24,267
Industrial - Large					
¾ x ¾-inch meter	1	\$26.13	\$27.14	\$314	\$326
1½-inch meter	4	\$130.66	\$135.69	\$6,272	\$6,513
2-inch meter	13	\$209.11	\$217.16	\$32,621	\$33,877
4-inch meter	4	\$653.35	\$678.50	\$31,361	\$32,568
6-inch meter	3	\$1,301.49	\$1,352.00	\$46,854	\$48,672
2 2-inch meters	7	\$419.12	\$435.00	\$35,206	\$36,540
3 2-inch meters	4	\$626.68	\$651.00	\$30,081	\$31,248
4 2-inch meters	2	\$836.24	\$868.00	\$20,070	\$20,832
1 8, 1 2-inch meters	1	\$2,039.47	\$2,118.00	\$24,474	\$25,416
Totals	39			\$227,251	\$235,992
Public Authority - Small					
¾ x ¾-inch meter	35	\$26.13	\$27.14	\$10,975	\$11,399
¾-inch meter	13	\$39.20	\$40.71	\$6,115	\$6,351
1-inch meter	49	\$65.34	\$67.86	\$38,420	\$39,902
1½-inch meter	72	\$130.66	\$135.69	\$112,890	\$117,236
2-inch meter	108	\$209.11	\$217.16	\$271,007	\$281,439
3-inch meter	3	\$391.97	\$407.06	\$14,111	\$14,654
4-inch meter	1	\$653.35	\$678.50	\$7,840	\$8,142
2 2-inch meters	1	\$419.12	\$435.00	\$5,029	\$5,220
Totals	282			\$466,387	\$484,343

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 578
 Service Charge Revenues at Present and Proposed Rates (continued)

Customer Class & Meter Size	Adopted Customers Esc. Year 2022-2023	Service Charges (\$/Month)		Service Charge Revenues	
		Present	Proposed	Present	Proposed
		Public Authority - Large			
½ x ¾-inch meter	2	\$26.13	\$27.14	\$627	\$651
1½-inch meter	5	\$130.66	\$135.69	\$7,840	\$8,141
2-inch meter	48	\$209.11	\$217.16	\$120,447	\$125,084
3-inch meter	5	\$391.97	\$407.06	\$23,518	\$24,424
4-inch meter	1	\$653.35	\$678.50	\$7,840	\$8,142
6-inch meter	2	\$1,301.49	\$1,352.00	\$31,236	\$32,448
8-inch meter	4	\$2,093.62	\$2,174.00	\$100,494	\$104,352
2 2-inch meters	51	\$419.12	\$435.00	\$256,501	\$266,220
3 2-inch meters	9	\$626.68	\$651.00	\$67,681	\$70,308
4 2-inch meters	1	\$836.24	\$868.00	\$10,035	\$10,416
2 3-inch meters	1	\$784.10	\$814.00	\$9,409	\$9,768
3 4-inch meters	2	\$1,963.27	\$2,039.00	\$47,118	\$48,936
1 8, 1 2-inch meters	1	\$2,039.47	\$2,118.00	\$24,474	\$25,416
Totals	132			<u>\$707,221</u>	<u>\$734,307</u>
Recycled Water					
1-inch meter	1	\$65.34	\$67.86	\$784	\$814
2-inch meter	44	\$209.11	\$217.16	\$110,410	\$114,660
3-inch meter	1	\$391.97	\$407.06	\$4,704	\$4,885
4-inch meter	5	\$653.35	\$678.50	\$39,201	\$40,710
8-inch meter	1	\$2,093.62	\$2,174.00	\$25,123	\$26,088
2 2-inch meters	4	\$419.12	\$435.00	\$20,118	\$20,880
Totals	56			<u>\$200,340</u>	<u>\$208,038</u>
Private Fire Protection					
Avg. Fire Svc. Diameter: 6.41"	1,270	\$17.27	\$17.93	<u>\$1,687,079</u>	<u>\$1,751,553</u>
Totals	1,270			<u>\$1,687,079</u>	<u>\$1,751,553</u>
Grand Totals	49,235			<u>\$26,519,624</u>	<u>\$27,541,862</u>
Increase					\$1,022,239
% Increase					3.9%

	(40)	(51)	
	Summary of Earnings & Rate of Return		
	Current Adopted - AL 570-A	Recorded - 12 Months Mar-22	Pro Forma
Operating Revenues	\$88,034.3	\$85,945.9	\$88,659.7 (12)
Operating Expenses			
Purchased Water & Assessments	\$22,955.2	\$19,779.7	\$23,288.9 (14)
Purchased Power	\$5,284.4	\$5,041.7	\$5,328.4 (15)
Chemicals	\$3,638.6	\$2,349.9	\$3,669.4
Payroll	\$6,423.3	\$7,276.2	\$6,423.3
Materials & Supplies	\$1,556.3	\$3,348.8	\$1,556.3
Transportation	\$928.0	\$933.4	\$928.0
Insurance	\$1,297.3	\$1,228.0	\$1,297.3
Pensions & Benefits	\$2,815.1	\$3,166.9	\$2,815.1
Uncollectibles	\$64.1	\$40.5	\$64.6 (15)
Franchise Fees	\$784.7	\$720.6	\$790.8
Regulatory Commission Expense	\$383.7	\$114.2	\$383.7
Outside Services	\$1,840.3	\$2,293.7	\$1,840.3
Utilities & Rents	\$1,431.9	\$1,085.7	\$1,431.9
Miscellaneous Expense	\$1,108.9	\$1,038.0	\$1,108.9
Administrative Expense Transferred	(\$2,220.2)	(\$1,646.7)	(\$2,220.2)
Subtotal	\$48,291.6	\$46,770.4	\$48,706.6
Allocated Common Expenses	\$6,586.0	\$5,677.5	\$6,586.0
Total Operating Expense	\$54,877.6	\$52,447.8	\$55,292.6
Depreciation	\$7,781.2	\$7,737.4	\$7,737.4
Ad Valorem Taxes	\$2,176.1	\$2,522.2	\$2,522.2
Payroll Taxes	\$873.7	\$877.0	\$873.7
Total Expense before Income Taxes	\$65,708.7	\$63,584.4	\$66,425.9
Net Revenue Before Income Taxes	\$22,325.6	\$22,361.5	\$22,233.8
State Income Tax	\$886.1	\$1,210.8	\$705.8
Federal Income Tax	\$3,686.2	\$2,655.9	\$3,210.1
Total Expenses	\$70,281.0	\$67,451.1	\$70,341.8
Net Operating Revenues	\$17,753.3	\$18,494.8	\$18,317.9
Rate Base	\$218,643.6	\$224,293.6	\$224,293.6
Rate of Return	8.12%	8.25%	8.17%
Rate of Return - Adjusted Adopted	(17) 8.24%		

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 578
 Pro Forma Metered Revenue and Normalized Production

	Adopted				Average Recorded Customers	Present Quantity Rate	Pro Forma	
	Distribution of Sales	Water Loss %	Sales Per Customer (Ccf)	Total Sales (Ccf)			Sales (Ccf)	Revenues
Residential - Single Family Tier 1	69.2%					\$3.7497	3,951,345	\$14,816,357
Residential - Single Family Tier 2	30.8%					\$4.2579	1,758,691	\$7,488,330
Residential - Single Family Total			146		39,110		5,710,036	\$22,304,687
Residential - Multi-Family - Small			484		3,024	\$3.9062	1,463,374	\$5,716,232
Residential - Multi-Family - Large			3,699		222	\$3.9062	821,178	\$3,207,686
Commercial - Small			265		4,689	\$3.9062	1,242,453	\$4,853,268
Commercial - Large			4,966		318	\$3.9062	1,577,533	\$6,162,158
Industrial - Small				11,271		\$3.9062	11,271	\$44,027
Industrial - Large				907,725		\$3.9062	907,725	\$3,545,755
Public Authority - Small				134,232		\$3.9062	134,232	\$524,337
Public Authority - Large				955,907		\$3.9062	955,907	\$3,733,964
Construction				12,444		\$3.9062	12,444	\$48,609
Recycled Contract - Jose Munoz Nursery				5,675		\$2.6225	5,675	\$14,883
Recycled Contract - City of Montebello (Grant Rea Park)				14,710		\$2.9912	14,710	\$44,001
Recycled Contract - LACP&R (Whittier Narrows)				368,569		\$2.3003	368,569	\$847,819
Recycled Contract - LACP&R (Golf Course)				189,015		\$3.1200	189,015	\$589,727
Recycled Water - Tariff				550,319		\$3.3202	550,319	\$1,827,169
Total Sales & Quantity Rate Revenue							13,964,440	\$53,464,321
Service Charge Revenue - Metered Customers						n/a		\$24,787,417
Private Fire Service Revenues						n/a		\$1,674,791
Miscellaneous Revenues								\$8,733,191
Total Sales & Revenues							13,964,440	\$88,659,719
Water Loss		6.8%					936,543	
Total Production (Ccf)							14,900,983	
Total Production (Acre Feet)							34,208.0	

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 578
 Pro Forma Monthly Service Charge Revenue

	Adopted		Present Monthly Service Charge	Pro Forma	
	Average Customers	Average Fire Service Diameter (in.)		Weighted Average Customers	Service Charge Revenue
Meter Size					
¾ x ¾-inch meter	35,433		\$26.13	35,369	\$11,090,181
¾-inch meter	3,287		\$39.20	3,281	\$1,543,395
1-inch meter	6,708		\$65.34	6,696	\$5,250,050
1½-inch meter	1,004		\$130.66	1,002	\$1,571,331
2-inch meter	1,272		\$209.11	1,270	\$3,186,054
3-inch meter	23		\$391.97	23	\$107,987
4-inch meter	21		\$653.35	21	\$164,345
6-inch meter	15		\$1,301.49	15	\$233,842
8-inch meter	16		\$2,093.62	16	\$401,245
10-inch meter	3		\$3,004.06	3	\$107,950
12-inch meter	-	8, 9, 10	\$4,316.59	-	\$0
14-inch meter	-		\$5,748.43	4	\$0
2 2-inch meters	143		\$419.12	143	\$717,903
3 2-inch meters	26		\$626.68	26	\$195,169
4 2-inch meters	5		\$836.24	5	\$50,083
2 3-inch meters	1		\$784.10	1	\$9,392
3 3-inch meters	-		\$1,176.16	-	\$0
2 4-inch meters	4		\$1,306.51	4	\$62,599
3 4-inch meters	2		\$1,963.27	2	\$47,033
1 8, 1 2-inch meters	2		\$2,039.47	2	\$48,858
Total Metered Customers & Service Charge Revenue	47,965			47,878	\$24,787,417
Construction	23	30	n/a	25	\$0
Private Fire Service	1,270	35	6.41	1,261	\$1,674,791
Total Customers & Service Charge Revenue	49,258		\$17.27	49,164	\$26,462,208

23

	Adopted			Pro Forma		
	Quantity/Basis		Unit Cost	Quantity/Basis		Total Cost
	Current Production (AF)	Other		Current Production (AF)	Other	
Main San Gabriel Basin						
Safe Yield		130,000.0 AF		130,000.0 AF		
Share of Safe Operating Yield	13,408.0			13,408.0		
Leased Water Rights	3,500.0		\$772.20	3,500.0	\$2,702,700	
Cyclic Storage	3,600.0		\$858.00	3,600.0	\$3,088,800	
Water Master Assessments						
Total Production Assessments						
In-Lieu Assessment		28,765.7 AF	\$8.00	29,052.4 AF	\$232,419	
Water Resource Dev. (RDA) Assessment		28,765.7 AF	\$175.00	29,052.4 AF	\$5,084,171	
Administrative Assessment		28,765.7 AF	\$17.00	29,052.4 AF	\$493,891	
Long-Beach Make-up Assessment		28,765.7 AF	\$0.00	29,052.4 AF	\$0	
Other Watermaster Assessment		28,765.7 AF	\$0.00	29,052.4 AF	\$0	
Replacement Water Assessment	8,257.7		\$980.00	8,544.4	\$8,373,480	
Association Assessment		27,981.7 AF	\$1.30	27,981.7 AF	\$36,376	
WQA Assessment (Prescriptive Right)		20,383.8 AF	\$12.00	20,383.8 AF	\$244,605	
SGV Protective Assessment		Annual	\$50.00	Annual	\$50	
Recycled Water - USGVMWD	2,478.2		\$784.00	2,478.2	\$1,942,903	
Recycled Water - CSD of LAC	12.0		\$590.00	12.0	\$7,080	
Subtotal	31,255.9			31,542.6	\$22,206,476	
Central Basin						
Purchased Water (MWD)	0.00		\$1,268.00	0.00	\$0	
Connection Maintenance Charge		Monthly	\$1,755.00		\$21,060	
Replenishment Assessment	2,565.4		\$382.00	2,565.4	\$979,964	
Association Assessment		2,565.4 AF	\$0.50	2,565.4 AF	\$1,283	
Watermaster Service Assessment		Annual	\$4,186.78	Annual	\$4,187	
Recycled Water - CBMWD	100.0		\$759.00	100.0	\$75,900	
Subtotal	2,665.4			2,665.4	\$1,082,393	
Totals	33,921.3			34,208.0	\$23,288,869	

38

12

14

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 578
 Pro Forma Purchased Power & Chemicals

Pro Forma Purchased Power Expense

Adopted kWh 29,756,918 (39)
 Adopted Production (Ccf) 14,776,099 (30)
 Adopted kWh/Ccf 2.01

Pro Forma Production (Ccf) 14,900,983 (12)
 Pro Forma kWh 30,008,416

Adopted Cost/kWh \$0.1776 (39)

Pro Forma Purchased Power Expense \$5,328,384

Pro Forma Chemicals Expense

Adopted Chemical Cost \$3,638,609 (40)
 Adopted Production (Ccf) 14,776,099 (30)
 Adopted \$/Ccf \$0.24625

Pro Forma Production (Ccf) 14,900,983 (12)

Pro Forma Chemicals Expense \$3,669,361

Pro Forma Uncollectibles Expense

Pro Forma Operating Revenues LESS: Misc. Revenues
 Adopted Uncollectibles Rate

\$79,926,529 (12)
 0.0808% (26)

\$88,659,719 - \$8,733,191 = \$79,926,529

Pro Forma Uncollectibles Expense \$64,616.89

Pro Forma Franchise Fees Expense

Pro Forma Operating Revenues (Less Misc. Revenues)
 Adopted Franchise Fees Rate

\$79,926,529 (12)
 0.9894% (26)

Pro Forma Franchise Fees Expense \$790,808

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 578
 Pro Forma Income Taxes (\$000)

	Adopted ⁽³⁶⁾		Pro Forma
	Weighted Avg. Cost of Debt	Income Tax Calculation	Income Tax Calculation
Operating Revenues		\$77,518.1	\$88,659.7 ⁽¹²⁾
<u>Deductions</u>			
Operating Expenses, excluding Depreciation & Income Taxes		\$52,551.8	\$58,688.8 ⁽¹¹⁾
Interest Expense	(29) 2.19%	\$4,490.0	\$4,912.0
Subtotal		\$57,041.8	\$63,600.6 ⁽¹¹⁾
<u>State Tax Calculation</u>			
Taxable Income Before Other Deductions		\$20,476.3	\$25,059.1
Less: Depreciation-State		\$12,715.5	\$16,512.1 ⁽³⁶⁾
Less: Repair Regulations Deduction		\$1,339.9	\$1,307.2
State Taxable Income		\$6,420.8	\$7,239.8
State Corporate Franchise Tax at 8.84% ⁽³⁶⁾		\$567.6	\$640.0
Amortization of AIAC/CIAC Tax		\$49.9	\$65.8 ⁽³⁶⁾
Total State Income Tax Expense		\$617.5	\$705.8
<u>Federal Tax Calculation</u>			
Taxable Income Before Other Deductions		\$20,476.3	\$25,059.1
Less: Depreciation-Federal (book)		\$7,326.7	\$8,272.8 ⁽³⁶⁾
Less: State Corp. Franchise Tax - Prior Year		\$1,036.3	\$852.9
Federal Taxable Income		\$12,113.3	\$15,933.4
Federal Tax at 21% ⁽³⁶⁾		\$2,543.8	\$3,346.0
Amortization of AIAC/CIAC Tax		\$108.1	\$142.5
Amortization of EDIT		(\$278.4)	(\$278.4) ⁽³⁶⁾
Amortization of EDIT (Jan. 2018 - Jun. 2020)		(\$1,980.5)	\$0.0
Total Federal Income Tax Expense		\$393.0	\$3,210.1

⁽¹¹⁾ \$60,425.9 - \$7,737.4 = \$58,688.6
⁽¹¹⁾ 2.19% x \$224,293.6

Calculation of Adjusted-Adopted Rate of Return to Reflect March 2022 Recorded Rate Base

	Adopted		
	Rate Base (\$000)	Rate of Return on Rate Base	Operating Income
Escalation Year 2021-2022 Adopted Rate Base	27 (\$218,643.6)	8.12%	40 \$17,753.9
Escalation Year 2022-2023 Adopted Rate Base	\$232,528.1	8.12%	\$18,881.3
As of March 2022	\$229,056.9	8.24%	

Calculation of Required Earnings Test Adjustment

Pro Forma RORB	8.17%	11
Adjusted-Adopted Rate of Return on Rate Base	8.24%	
Overearning	0.00%	
Pro Forma Rate Base	\$224,293,613	11
N-T-G Factor	1.40359	29
Required Revenue Adjustment	\$0	

41 42

Customers

Month	Residential			Commercial		Industrial		Public Authority		Recycled	Total Metered	Construction	Private Fire	Total
	Single Family	Multi-Family		Small	Large	Small	Large	Small	Large					
April 2021	39,325	3,025	222	4,688	318	10	37	269	144	56	48,094	23	1,254	49,371
May	39,321	3,026	222	4,686	318	10	37	269	144	56	48,089	22	1,255	49,366
June	39,329	3,025	222	4,688	318	10	37	271	144	56	48,100	22	1,255	49,377
July	39,349	3,023	222	4,689	318	10	37	272	144	56	48,120	28	1,258	49,406
August	39,350	3,023	222	4,687	318	10	36	272	144	56	48,118	27	1,258	49,403
September	39,369	3,023	222	4,680	318	10	37	273	144	56	48,132	27	1,259	49,418
October	39,379	3,023	222	4,682	317	10	36	273	144	56	48,142	32	1,260	49,434
November	39,383	3,023	222	4,692	317	10	36	270	142	56	48,151	28	1,262	49,441
December	36,367	3,023	222	4,690	317	10	36	270	142	56	45,133	29	1,264	46,426
January 2022	39,384	3,023	222	4,694	318	10	36	270	142	56	48,155	23	1,268	49,446
February	39,380	3,022	222	4,698	318	10	36	270	142	56	48,154	20	1,268	49,442
March	39,382	3,023	222	4,688	317	10	36	270	142	56	48,146	22	1,268	49,436
Average	39,110	3,024	222	4,689	318	10	36	271	143	56	47,878	25	1,261	49,164

43 44

Sales (Ccf)

Month	Residential			Commercial		Industrial		Public Authority		Recycled	Construction	Total
	Single Family	Multi-Family		Small	Large	Small	Large	Small	Large			
April 2021	495,180	122,570	73,869	98,521	168,602	1,219	79,477	10,566	85,553	74,620	1,096	1,211,273
May	497,811	116,862	70,282	98,260	158,325	1,183	74,345	10,689	88,024	74,358	2,406	1,192,545
June	559,875	124,711	72,813	105,990	172,029	1,408	75,859	13,955	94,262	92,237	343	1,313,482
July	604,075	130,047	77,168	112,173	188,643	1,632	81,834	16,193	119,216	120,041	3,666	1,454,688
August	581,578	127,347	72,986	111,546	170,041	1,876	75,007	12,957	97,985	120,616	1,844	1,373,783
September	569,560	127,377	76,238	113,700	177,828	1,984	77,977	15,112	102,830	101,815	1,044	1,365,465
October	506,863	118,648	73,811	105,485	161,948	1,778	69,950	13,037	98,998	72,955	734	1,224,207
November	444,494	110,616	66,417	98,838	143,328	1,479	66,585	11,369	71,374	56,175	577	1,071,252
December	427,058	110,828	62,487	93,635	131,697	1,420	61,092	10,171	54,457	27,620	158	980,623
January 2022	366,709	106,321	62,518	82,184	129,298	1,011	56,996	6,431	61,558	16,545	217	889,788
February	417,558	111,920	68,581	88,624	150,975	1,109	73,169	8,789	85,074	50,998	222	1,057,019
March	457,990	118,419	67,335	100,512	156,673	1,468	73,205	10,829	72,221	56,734	424	1,115,810
Totals	5,928,751	1,425,666	844,505	1,209,468	1,909,387	17,567	865,496	140,098	1,031,552	864,714	12,731	14,249,935

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised
Cancelling Revised

Cal. P.U.C. Sheet No. 3161-W
Cal. P.U.C. Sheet No. 3150-W

SCHEDULE NO. LA-1
Los Angeles County Tariff Area
GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service, except for those Residential customers required to be served under Schedule LA-1C.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Quantity Rates:

For all water delivered, per 100 cu. ft. \$3.9062 (I)

Service Charge:

	<u>Per Meter Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 26.13	(I)
For 3/4-inch meter	39.20	
For 1-inch meter	65.34	
For 1-1/2-inch meter	130.66	
For 2-inch meter	209.11	
For 3-inch meter	391.97	
For 4-inch meter	653.35	
For 6-inch meter	1,301.49	
For 8-inch meter	2,093.62	
For 10-inch meter	3,004.06	
For 12-inch meter	4,316.59	
For 14-inch meter	5,748.43	(I)

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 570-A

J. M. Reiker

Date Filed 12/17/2021

Decision No. _____

NAME

Effective 01/01/2022

Vice President of Regulatory Affairs

TITLE

Resolution No. _____

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3162-W
Cal. P.U.C. Sheet No. 3125-W

SCHEDULE NO. LA-1
Los Angeles County Tariff Area
GENERAL METERED SERVICE
(continued)

RATES (continued)

	Per Battery Per Month	
For two 2-inch meters	\$419.12	(I)
For three 2-inch meters	626.68	
For four 2-inch meters	836.24	
For two 3-inch meters	784.10	
For three 3-inch meters	1,176.16	
For two 4-inch meters	1,306.51	
For three 4-inch meters	1,963.27	
For one 8-inch meter, one 2-inch meter	2,039.47	(I)

The Service Charge is a readiness-to-serve charge which is 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. AA-UF.
2. All bills are subject to the applicable surcharges and surcredits set forth in Schedule No. LA-AS.

(To be inserted by utility)
Advice Letter No. 570-A
Decision No. _____

Issued by
J. M. Reiker
NAME
Vice President of Regulatory Affairs
TITLE

(To be inserted by Cal. P.U.C.)
Date Filed 12/17/2021
Effective 01/01/2022
Resolution No. _____

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3163-W
Cal. P.U.C. Sheet No. 3151-W

SCHEDULE NO. LA-1C
Los Angeles County Tariff Area
GENERAL METERED SERVICE - CONSERVATION RATES

APPLICABILITY

Applicable to all metered Residential customers, excluding apartments, trailer parks, and any other facility in which Residential customers receive service through a master meter.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Quantity Rates:

For the first 11 Ccf of water used, per 100 cu. ft.....	\$3.7497	(I)
For all Ccf greater than 11 Ccf, per 100 Cu. Ft.....	\$4.2579	(I)

Per Meter
Per Month

Service Charges:

For 5/8 x 3/4-inch meter	\$ 26.13	(I)
For 3/4-inch meter	39.20	
For 1-inch meter	65.34	
For 1-1/2-inch meter	130.66	
For 2-inch meter	209.11	
For 3-inch meter	391.97	(I)

SPECIAL CONDITIONS

- All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.
- All bills are subject to the applicable surcharges and surcredits set forth on Schedule No. LA-AS.

(To be inserted by utility)

Issued by

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

Advice Letter No. 570-A

J. M. Reiker

Date Filed 12/17/2021

Decision No. _____

NAME

Effective 01/01/2022

Vice President of Regulatory Affairs

TITLE

Resolution No. _____

(21)

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3164-W
Cal. P.U.C. Sheet No. 3127-W

SCHEDULE NO. LA-4
Los Angeles County Division
PRIVATE FIRE SERVICE

APPLICABILITY

Applicable to water service furnished to private fire systems and to private fire hydrants.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATE

Per Service
Per Month

For each inch of diameter of service connection \$17.27 (I)

SPECIAL CONDITIONS

1. The customer will pay, without refund, the entire cost of the private fire service facilities.
2. The private fire service facilities shall be installed by the utility or under the utility's direction and shall be the sole property and subject to the control of the utility, with the right to alter, repair, replace and the right to remove upon discontinuance of service.
3. The minimum diameter for the private fire service connection will be 4 inches. The maximum diameter shall not be larger than the diameter of the water main to which the private fire service facilities are attached unless said main is circulating, in which case with the approval of the utility the maximum diameter may be larger by not more than 2 inches than the diameter of said circulating main.
4. If a water main of adequate size is not available adjacent to the premises to be served, then a new main from the nearest existing main of adequate size will be installed by the utility at the cost of the customer. Such cost shall not be subject to refund.
5. The private fire service facilities will include a detector check valve or other similar device acceptable to the utility which will indicate the use of water. The facilities may be located within the customer's premises or within public right of way adjacent thereto. Where located within the premises, the utility and its duly authorized agents shall have the right of ingress to and egress from the premises for all purposes related to said facilities. In the event the installation is solely a private fire hydrant facility, the requirement for a detector check valve or other similar device may be waived.

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 570-A

J. M. Reiker

Date Filed 12/17/2021

Decision No. _____

NAME

Effective 01/01/2022

Vice President of Regulatory Affairs

TITLE

Resolution No. _____

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised
Cancelling Revised

Cal. P.U.C. Sheet No. 3165-W
Cal. P.U.C. Sheet No. 3152-W

SCHEDULE NO. LA-6
Los Angeles County Tariff Area
RECYCLED WATER METERED SERVICE

APPLICABILITY

Applicable to all recycled water metered service.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

Quantity Rates:

For all water delivered per 100 cu. ft. **\$ 3.3202** (I)

Service Charge:

	Per Meter	
	<u>Per Month</u>	
For 5/8 x 3/4-inch meter	\$ 26.13	(I)
For 3/4-inch meter	39.20	
For 1-inch meter	65.34	
For 1-1/2-inch meter	130.66	
For 2-inch meter	209.11	
For 3-inch meter	391.97	
For 4-inch meter	653.35	
For 6-inch meter	1,301.49	
For 8-inch meter	2,093.62	
For 10-inch meter	3,004.06	
For 12-inch meter	4,316.59	
For 14-inch meter	5,748.43	(I)

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 570-A

J. M. Reiker
NAME

Date Filed 12/17/2021

Decision No. _____

Vice President of Regulatory Affairs
TITLE

Effective 01/01/2022

Resolution No. _____

SCHEDULE NO. LA-6
Los Angeles County Tariff Area
RECYCLED WATER METERED SERVICE
(continued)

RATES – (continued)

	Per Battery Per Month	
For two 2-inch meters	\$ 419.12	(I)
For three 2-inch meters	626.68	
For four 2-inch meters	836.24	
For two 3-inch meters	784.10	
For three 3-inch meters	1,176.16	
For two 4-inch meters	1,306.51	
For three 4-inch meters	1,963.27	
For one 8-inch meter, one 2-inch meter	2,039.47	(I)

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

SPECIAL CONDITIONS

1. The Quantity Rate is set at 85% of the Quantity Rate of Schedule No. LA-1.
2. The customer is responsible for compliance with all local, state, and federal rules and regulations that apply to the use of reclaimed water on the customer's premises.
3. The utility will supply only such reclaimed water at such pressure as may be available from time to time from the reclaimed water system. The customer shall indemnify the utility and save it harmless against any and all claims arising out of service under this schedule and shall further agree to make no claims against the utility for any loss or damage resulting from service under this schedule.
4. All bills are subject to the reimbursement fee set forth on Schedule No. AA-UF.
5. All bills are subject to the applicable surcharges and surcredits set forth on Schedule No. LA-AS.

(To be inserted by utility)

Advice Letter No. 570-A

Decision No. _____

Issued by

J. M. Reiker

NAME

Vice President of Regulatory Affairs

TITLE

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

Date Filed 12/17/2021

Effective 01/01/2022

Resolution No. _____

24

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Original _____

Cal. P.U.C. Sheet No. 3183-W

Cancelling _____

Cal. P.U.C. Sheet No. 3068-W

SCHEDULE NO. LA-AS
San Gabriel Valley Water Company
Los Angeles County Division
ADDITIONAL SURCHARGES/SURCREDITS

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Portions of Arcadia, Baldwin Park, El Monte, City of Industry, Irwindale, La Puente, Montebello, Monterey Park, Pico Rivera, Rosemead, San Gabriel, Santa Fe Springs, South El Monte, West Covina, Whittier and vicinity, Los Angeles County.

RATES

1. A surcharge of \$0.2158 per Ccf is to be applied to the quantity rates of only non-CARW customers to cover the estimated benefits provided under the California Alternative Rates for Water (CARW).

(D)

(D)

(D)

2. A surcharge of \$0.1512 per Ccf is to be applied to the quantity rates effective January 1, 2022 through December 31, 2022 to amortize the net under-collection in the Power Cost Balancing Account.

(N)

(N)

(N)

(To be inserted by utility)

Issued by

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

Advice Letter No. 573

J.M. Reiker

Date Filed 12/13/2021

Decision No. _____

NAME

Effective 01/01/2022

Vice President of Regulatory Affairs

TITLE

Resolution No. _____

25

D.20-08-006 in A.19-01-001
 Appdx. A, P. 1

Appendix A
 Page 1 of 11
 San Gabriel Valley Water Company
 Los Angeles County Division
SUMMARY OF EARNINGS and RATES OF RETURN
 (Dollars in Thousands)

	Test Year 2020/2021		
	SGVWC		
	GRC Update	Settlement	Cal-PA
	<u>April 2019</u>	<u>Settlement</u>	<u>Cal-PA</u>
Present Rate Revenue	\$74,302.4	\$76,718.6	\$78,051.0
Proposed Increase	\$4,352.9 5.9%	\$799.5 1.0%	(\$1,274.9) -1.6%
Operating Revenues	\$78,655.3	\$77,518.1	\$76,776.1
Operating Expenses			
Purchased Water & Assessments	\$18,490.6	\$20,010.4	\$21,050.1
Purchased Power	\$3,728.3	\$3,728.3	\$3,897.4
Chemicals	\$3,395.5	\$3,544.9	\$3,646.8
Payroll	\$6,492.9	\$6,296.5	\$6,211.7
Materials & Supplies	\$1,516.2	\$1,516.2	\$1,516.2
Transportation	\$904.1	\$904.1	\$904.1
Insurance	\$1,266.8	\$1,263.9	\$1,260.4
Pensions & Benefits	\$2,974.4	\$2,759.5	\$2,665.5
Uncollectibles @ 0.0808%	\$56.50	\$55.6	\$55.0
Franchise Fees @ 0.9894%	\$691.80	\$680.6	\$673.2
Regulatory Commission Expense	\$405.4	\$373.8	\$373.8
Outside Services	\$1,789.6	\$1,789.6	\$1,789.6
Utilities & Rents	\$1,395.1	\$1,395.1	\$1,395.1
Miscellaneous Expense	\$1,160.8	\$1,080.4	\$1,068.5
Administrative Expense Transferred	(\$2,420.2)	(\$2,163.0)	(\$1,906.9)
Subtotal	\$41,847.7	\$43,235.8	\$44,600.4
Allocated Common Expenses	\$6,656.0	\$6,416.4	\$6,094.8
Total Operating Expense	\$48,503.7	\$49,652.2	\$50,695.2
Depreciation	\$7,670.3	\$7,326.7	\$7,105.8
Ad Valorem Taxes	\$2,076.8	\$2,043.2	\$1,884.7
Payroll Taxes	\$888.4	\$856.5	\$842.7
Total Expense before Income Taxes	\$59,139.2	\$59,878.5	\$60,528.3
Net Revenue Before Income Taxes	\$19,516.1	\$17,639.6	\$16,247.7
State Income Tax	\$703.8	\$617.5	\$554.3
Federal Income Tax	\$718.1	\$393.0	\$133.6
Total Expenses	\$60,561.1	\$60,889.0	\$61,216.3
Net Operating Revenues	\$18,094.2	\$16,629.1	\$15,559.8
Rate Base	\$222,728.0	\$204,759.1	\$191,490.2
Rate of Return	8.12%	8.12%	8.12%

D.20-08-006 in A.19-01-001
 Appdx. A, p. 4

Appendix A
 Page 4 of 11
 San Gabriel Valley Water Company
 Los Angeles County Division
AVERAGE DEPRECIATED RATE BASE
 (Dollars in Thousands)

<u>Description</u>	<u>Test Year</u> <u>2020-2021</u>	<u>Escalation Year</u> <u>2021-2022</u>
Utility Plant	\$396,981.0	\$421,612.2
Depreciation Reserve	\$122,405.2	\$131,764.1
Net Utility Plant	<u>\$274,575.8</u>	<u>\$289,848.2</u>
Less:		
Advances	\$2,372.8	\$2,244.7
Contributions	\$56,365.4	\$57,067.4
Accumulated Deferred Income Taxes	\$33,019.3	\$34,210.0
Deferred Investment Tax Credit	\$164.1	\$152.4
Subtotal	<u>\$182,654.2</u>	<u>\$196,173.6</u>
Plus:		
Materials and Supplies	\$1,411.5	\$1,519.3
Operational Cash Requirement	\$15.0	\$15.0
Working Cash-Lead Lag	\$5,443.9	\$4,968.9
Tax on Advances and Contributions	\$3,760.8	\$4,634.8
Net Common Plant Allocation	\$11,473.7	\$11,332.0
Average Rate Base	<u>\$204,759.1</u>	<u>\$218,643.6</u> + \$13,884.5 = \$232,528.1 (E.Y. '22-'23)

$\$218,643.6 - \$204,759.1 = \$13,884.5$

**San Gabriel Valley Water Company
Los Angeles County Division
WATER COST SUMMARY
Test Year 2020-2021**

*D. 20-08-006 in A. 19-01-001
Settlement Worksheet*

	Basis		Unit Cost	Total Cost / Assessment (\$000)
	Current Production (AF)	Other		
<u>MAIN SAN GABRIEL BASIN</u>				
Safe Yield		30,000 AF		
Share of Safe Operating Yield	13,408.0			
Leased Water Rights	3,500.0		\$751.97	\$2,631.9
Cyclic Storage	3,600.0		\$798.00	\$2,872.8
Watermaster Assessments				
Total Production Assessments				
In-Lieu Assessment		28,766 AF	\$10.00	\$287.7
Water Resource Development Assessment		28,766 AF	\$105.00	\$3,020.4
Administrative Assessment		28,766 AF	\$15.00	\$431.5
Long Beach Make-up Assessment		28,766 AF	\$0.00	\$0.0
Other Watermaster Assessment		28,766 AF	\$0.00	\$0.0
Replacement Water Assessment	8,257.7		\$934.00	\$7,712.7
Association Assessment (2018/19 Production)		27,982 AF	\$1.30	\$36.4
WQA Assessment (Prescriptive Right)		20,384 AF	\$10.00	\$203.8
SGV Protective Assessment		Annual	\$50.00	\$0.1
Recycled Water USGVMWD	2,478.2		\$747.20	\$1,851.7
Recycled Water CSD of LAC	12.0		\$532.00	\$6.4
Subtotal: Production plus Recycled Water	31,255.9			\$19,055.3
<u>CENTRAL BASIN</u>				
Purchased Water (MWD Tier 2)	0.00		\$1,073.00	\$0.0
Connection Maintenance Charge, per month		Monthly	\$1,215.00	\$14.6
Replenishment Assessment	2,565.4		\$339.00	\$869.7
Association Assessment		2,565 AF	\$0.50	\$1.3
Watermaster Service Assessment		Annual	\$4,701.26	\$4.7
CBMWD Recycled Water	100.0		\$649.00	\$64.9
Subtotal: Production plus Recycled Water	2,665.4			\$955.1
Totals	33,921.3			\$20,010.4
Unit Cost Per Acre-Foot				\$589.91

D.20-08-006 in A.19-01-001
Settlement Workpaper LEX22

ESCALATION FACTORS							
Year	Labor	Comp/hr.	Non-Labor		Non-Labor Composite	CPI-U	
			@ 40%	Rate			@ 60%
2014	1.5%	2.8%	1.12%	0.9%	0.54%	1.7%	1.6%
2015	1.6%	3.1%	1.24%	-2.8%	-1.68%	-0.4%	0.1%
2016	0.1%	1.1%	0.44%	-1.1%	-0.66%	-0.2%	1.3%
2017	1.3%	3.4%	1.36%	3.7%	2.22%	3.6%	2.1%
2018	2.1%	2.5%	1.00%	4.1%	2.46%	3.5%	2.4%
2019	2.4%	2.4%	0.96%	0.7%	0.42%	1.4%	2.4%
2020	2.0%	3.1%	1.24%	0.2%	0.12%	1.4%	2.4%
2021	2.1%	3.6%	1.44%	0.8%	0.48%	1.9%	2.4%
2022	2.3%	3.9%	1.56%	1.3%	0.78%	2.3%	2.4%
2023	2.4%	4.0%	1.60%	1.4%	0.84%	2.4%	2.4%

Source: Public Advocates Office memos, March 29, 2019 factors; ftp.bls.gov 5-year Customer Growth: 0.2%
2018 CPI-U is 2nd Half 2018.

Escalation Factors to Year 2018				
From	Labor	Comp/hr.	Non-Labor Composite	CPI-U Factor
2014	1.0519	1.1047	1.0646	1.0602
2015	1.0353	1.0715	1.0693	1.0591
2016	1.0343	1.0599	1.0716	1.0455
2017	1.0210	1.0250	1.0346	1.0240

COST OF CAPITAL (D.18-12-002)				UNCOLLECTIBLES RATE	0.0808%
Capital Ratio	Cost	Weighted Cost		FRANCHISE FEES RATE	0.9694%
LT Debt	35.54%	6.17%	2.19%	N-T-G	1.40359
Common Equity	64.46%	9.20%	5.93%	INCOME TAX RATES	
Total	100.00%		8.12%	Federal	21.00%
				State	8.84%

INPUTS FROM OTHER EXCEL WORKBOOKS			
Source: Workpaper LE1	2019	2020	2021
LA Purchased Power Expens	\$3,824,538	\$3,728,297	\$3,728,297
LA Insurance Expenses Source: Workpaper GEX8			
Umbrella Insurance (793L)	\$102,584	\$110,588	\$119,986
Umbrella Insurance (794L)	\$747,134	\$805,410	\$873,870
Workers Compensation (794L)	\$278,702	\$302,059	\$315,804
Source: Workpaper PR12			
LA Payroll Taxes	2019	TY 2020-2021	TY 2021-2022
FICA @ 6.2%	\$451,464	\$473,859	
FICA @ 1.45%	\$121,467	\$127,065	
FUTA @ 2.1%	\$3,704	\$3,787	
SUI @ 3.3%	\$14,199	\$14,517	
Capitalized	(\$61,509)	(\$61,509)	

LA Share of General Division (source: Exhibit SG-1, Table 8A)			
	2019	2020	2021
Operating Expenses	\$5,851,954	\$6,416,354	
Depreciation Expense	\$346,260	\$491,219	\$516,366
Ad Valorem Taxes	\$12,239	\$15,148	\$15,161
Payroll Taxes	\$285,040	\$298,761	
	\$6,495,493	\$7,221,481	
Utility Plant	\$11,662,437	\$13,127,394	\$13,294,169
Depreciation Reserve	\$1,305,247	\$1,653,695	\$1,962,215
Net Plant	\$10,357,190	\$11,473,699	\$11,331,954

LA Share of General Division (source: Exhibit SG-1, Tables 4A, 5A, and 7A)				Ratemaking Adjustments		
Year	O&M Expense	Depreciation	Ad Val. Tax	Payroll Tax	SIT	FIT
2014	\$4,635,492	\$238,186	\$10,985	\$206,653	(\$23,835)	(\$76,337)
2015	\$5,246,207	\$245,461	\$11,124	\$220,551	(\$23,503)	(\$75,078)
2016	\$5,630,317	\$256,378	\$11,653	\$246,595	(\$23,890)	(\$76,048)
2017	\$5,810,290	\$256,998	\$11,841	\$249,320	(\$23,461)	(\$74,494)
2018	\$5,654,898	\$254,986	\$12,202	\$248,001	(\$23,311)	(\$44,280)
2019	\$5,851,954	\$345,035	\$12,196	\$285,040		
2020	\$6,340,170	\$465,342	\$14,818	\$286,017		
2021	\$6,492,538	\$511,009	\$15,383	\$302,215		
2022		\$518,519	\$14,846			

LA Payroll Benefits (GEX7)			
	2019	2020	2021
Total	\$2,572,838	\$2,712,726	\$2,806,214

Gen. Division Tax Depec. (W/P GEX8 & GEX9)			
	Federal	State	
	\$2,240,866	\$2,239,574	
	\$3,729,514	\$3,273,290	
	\$4,646,571	\$3,983,910	
	\$4,609,250	\$4,086,047	

D.20-08-006 in A.19-01-001
Settlement Workpaper LRV2

**San Gabriel Valley Water Company
Los Angeles County Division
CCF SALES FORECAST BY CUSTOMER CLASS**

Class	Forecasted Number of Customers				Forecasted Annual Ccf / Customer				Forecasted Sales (Ccf)				
	2019	2020-2021	2021-2022	2022-2023	2019	2020-2021	2021-2022	2022-2023	2019	2020-2021	2021-2022	2022-2023	
Tier 1								69.2%	3,797,697	3,947,421	3,957,322	3,967,325	
Tier 2								30.8%	1,690,305	1,756,945	1,761,352	1,765,803	
Residential - Single Family	38,922	39,071	39,169	39,268	141	146	146	146	5,488,002	5,704,366	5,718,674	5,733,128	
Residential - Multi-Family - Small	2,951	2,942	2,936	2,930	468	484	484	484	1,381,068	1,423,928	1,421,024	1,418,120	
Residential - Multi-Family - Large	220	220	220	220	3,525	3,699	3,699	3,699	775,500	813,780	813,780	813,780	
Commercial, Small	4,685	4,700	4,711	4,721	266	265	265	265	1,246,210	1,245,500	1,248,415	1,251,065	
Commercial, Large	316	311	307	304	4,957	4,966	4,966	4,966	1,566,412	1,544,426	1,524,562	1,509,664	
Industrial - Small	11	12	12	13	813	867	867	867	8,943	10,404	10,404	11,271	
Industrial - Large	37	38	38	39	23,266	23,275	23,275	23,275	860,842	884,450	884,450	907,725	
Public Authority - Small	273	277	279	282	471	476	476	476	128,583	131,852	132,804	134,232	
Public Authority - Large	129	130	131	131	7,229	7,297	7,297	7,297	932,541	948,610	955,907	955,907	
Construction	23	23	23	23	589	549	549	549	13,351	12,444	12,444	12,444	
Total Potable Water	47,567	47,724	47,826	47,931					12,401,452	12,719,760	12,722,464	12,747,336	
Water Loss Factor (from Exhibit SG-2)									6.8%	6.8%	6.8%	6.8%	
Potable Water Production, Ccf									13,306,279	13,647,811	13,650,712	13,677,399	
Potable Water Production, AF									30,547.0	31,331.1	31,337.7	31,399.0	
Recycled Contract - Jose Munoz Nursery	1	1	1	1	5,675	5,675	5,675	5,675	5,675	5,675	5,675	5,675	
Recycled Contract - City of Montebello (Grant Rea Par	1	1	1	1	14,710	14,710	14,710	14,710	14,710	14,710	14,710	14,710	
Recycled Contract - LACP&R (Whittier Narrows)	1	1	1	1	368,569	368,569	368,569	368,569	368,569	368,569	368,569	368,569	
Recycled Contract - LACP&R (Golf Course)	1	1	1	1	189,015	189,015	189,015	189,015	189,015	189,015	189,015	189,015	
Recycled Water - Tariff	52	52	52	52	10,583	10,583	10,583	10,583	550,319	550,319	550,319	550,319	
	56	56	56	56	20,148	20,148	20,148	20,148					
									Total Recycled Water, Ccf	1,128,288	1,128,288	1,128,288	1,128,288
									Total Recycled Water, AF	2,590.2	2,590.2	2,590.2	2,590.2
									% of Total Production	7.8%	7.6%	7.6%	7.6%
Total Customers and Sales (Ccf)	47,623	47,780	47,882	47,987					13,529,740	13,848,048	13,850,752	13,875,624	
Total Production, Ccf									14,434,567	14,776,099	14,779,000	14,805,687	
Total Production, Acre-feet									33,137.2	33,921.3	33,927.9	33,989.2	

Source: Workpapers LRV1, LRV1a, LRV1b, LRV1c; Exhibit SG-2, Table 4A, Table 4B-1

D.20-08-006 in A.19-01-001
 Settlement Workpaper LRV5

**San Gabriel Valley Water Company
 Los Angeles County Division
 SUMMARY OF REVENUES at PROPOSED RATES**

Class	Test Year 2020-2021			Escalation Year 2021-2022			Escalation Year 2022-2023		
	Service Chrg.	Quantity Rate	Total	Service Chrg.	Quantity Rate	Total	Service Chrg.	Quantity Rate	Total
Residential - Single Family	\$14,012,575	\$18,642,032	\$32,654,607	\$15,212,716	\$20,307,027	\$35,519,743	\$15,805,366	\$21,097,916	\$36,903,281
Residential - Multi-Family - Small	\$1,903,904	\$4,653,397	\$6,557,301	\$2,057,870	\$5,046,056	\$7,103,926	\$2,128,361	\$5,218,682	\$7,347,042
Residential - Multi-Family - Large	\$772,512	\$2,659,433	\$3,431,945	\$836,180	\$2,889,733	\$3,725,912	\$866,377	\$2,994,710	\$3,861,087
Commercial, Small	\$3,522,149	\$4,070,294	\$7,592,443	\$3,823,470	\$4,433,122	\$8,256,591	\$3,953,965	\$4,603,919	\$8,557,884
Commercial, Large	\$1,131,570	\$5,047,184	\$6,178,755	\$1,214,583	\$5,413,720	\$6,628,303	\$1,241,756	\$5,555,564	\$6,797,320
Industrial - Small	\$21,256	\$34,000	\$55,256	\$23,010	\$36,945	\$59,954	\$24,172	\$41,477	\$65,649
Industrial - Large	\$207,182	\$2,890,383	\$3,097,565	\$224,334	\$3,140,682	\$3,365,016	\$235,209	\$3,340,428	\$3,575,637
Public Authority - Small	\$421,763	\$430,892	\$852,655	\$460,672	\$471,587	\$932,259	\$482,480	\$493,974	\$976,454
Public Authority - Large	\$649,482	\$3,100,057	\$3,749,540	\$705,244	\$3,394,426	\$4,099,670	\$731,118	\$3,517,738	\$4,248,855
Construction	\$0	\$40,667	\$40,667	\$0	\$44,189	\$44,189	\$0	\$45,794	\$45,794
Recycled Water	\$184,690	\$2,864,505	\$3,049,195	\$199,907	\$3,043,696	\$3,243,603	\$207,149	\$3,125,337	\$3,332,486
Subtotal	\$22,827,084	\$44,432,845	\$67,259,929	\$24,757,985	\$48,221,182	\$72,979,167	\$25,675,951	\$50,035,538	\$75,711,490
Private Fire Protection (604)			\$1,524,963			\$1,666,909			\$1,745,692
Rents, Water Property (612)			\$7,662			\$7,662			\$7,662
Misc. Revenues (611 and 614)			\$8,725,529			\$8,725,529			\$8,725,529
Total Revenues			\$77,518,083			\$83,379,267			\$86,190,372

Percentage of Gross Revenues at Proposed Rates

Customer Class	2020-2021	2021-2022	2022-2023
Residential	55.01%	55.59%	55.82%
Commercial	17.77%	17.85%	17.82%
Industrial	4.07%	4.11%	4.22%
Public Authority	5.94%	6.03%	6.06%
Construction	0.05%	0.05%	0.05%
Recycled Water	3.93%	3.89%	3.87%
Private Fire Service	1.97%	2.00%	2.03%
Miscellaneous	11.27%	10.47%	10.13%
Total	100.00%	100.00%	100.00%

Source: Workpapers LRV3, LRV4, and LRV5a through LRV5d

D. 20-08-006 in A.19-01-001
 Settlement Workpaper LRV5a

**San Gabriel Valley Water Company
 Los Angeles County Division
ESTIMATED REVENUES at PROPOSED RATES**

QUANTITY RATE REVENUES

Class	Sales (Ccf)			Quantity Rates (\$/Ccf)			Quantity Rate Revenues		
	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>
	Tier 1	3,947,421	3,957,322	3,967,325	\$3.1237	\$3.3942	\$3.5175	\$12,330,560	\$13,431,944
Tier 2	1,756,945	1,761,352	1,765,803	\$3.5923	\$3.9033	\$4.0451	\$6,311,473	\$6,875,084	\$7,142,851
Residential - Single Family	5,704,366	5,718,674	5,733,128				\$18,642,032	\$20,307,027	\$21,097,916
Residential - Multi-Family, Small	1,423,928	1,421,024	1,418,120	\$3.2680	\$3.5510	\$3.6800	\$4,653,397	\$5,046,056	\$5,218,682
Residential - Multi-Family, Large	813,780	813,780	813,780	\$3.2680	\$3.5510	\$3.6800	\$2,659,433	\$2,889,733	\$2,994,710
Commercial - Small	1,245,500	1,248,415	1,251,065	\$3.2680	\$3.5510	\$3.6800	\$4,070,294	\$4,433,122	\$4,603,919
Commercial - Large	1,544,426	1,524,562	1,509,664	\$3.2680	\$3.5510	\$3.6800	\$5,047,184	\$5,413,720	\$5,555,564
Industrial - Small	10,404	10,404	11,271	\$3.2680	\$3.5510	\$3.6800	\$34,000	\$36,945	\$41,477
Industrial - Large	884,450	884,450	907,725	\$3.2680	\$3.5510	\$3.6800	\$2,890,383	\$3,140,682	\$3,340,428
Public Authority - Small	131,852	132,804	134,232	\$3.2680	\$3.5510	\$3.6800	\$430,892	\$471,587	\$493,974
Public Authority - Large	948,610	955,907	955,907	\$3.2680	\$3.5510	\$3.6800	\$3,100,057	\$3,394,426	\$3,517,738
Construction	12,444	12,444	12,444	\$3.2680	\$3.5510	\$3.6800	\$40,667	\$44,189	\$45,794
Recycled Contract - Jose Munoz Nursery	5,675	5,675	5,675	\$2.1931	\$2.3830	\$2.4696	\$12,446	\$13,524	\$14,015
Recycled Contract - City of Montebello (Grant Res)	14,710	14,710	14,710	\$2.6477	\$2.8458	\$2.9361	\$38,948	\$41,862	\$43,190
Recycled Contract - LACP&R (Whittier Narrows)	368,569	368,569	368,569	\$2.1442	\$2.1442	\$2.1442	\$790,274	\$790,274	\$790,274
Recycled Contract - LACP&R (Golf Course)	189,015	189,015	189,015	\$2.6144	\$2.8408	\$2.9440	\$494,161	\$536,954	\$556,460
Recycled Water - tariff	550,319	550,319	550,319	\$2.7778	\$3.0184	\$3.1280	\$1,528,676	\$1,661,083	\$1,721,398
Total	13,848,048	13,850,752	13,875,624				\$44,432,845	\$48,221,182	\$50,035,538

SERVICE CHARGE REVENUES

Residential - Single Family

Meter Size	Avg. No. of Customers			Monthly Service Charges			Service Charge Revenues		
	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>
5/8 x 3/4-in.	31,044	31,122	31,201	\$24.09	\$26.09	\$27.04	\$8,975,690	\$9,743,676	\$10,123,726
3/4-in.	2,948	2,956	2,963	\$36.14	\$39.14	\$40.56	\$1,278,489	\$1,388,374	\$1,442,151
1-in.	4,982	4,994	5,007	\$60.24	\$65.23	\$67.60	\$3,601,388	\$3,909,103	\$4,061,678
1-1/2-in.	75	76	76	\$120.47	\$130.45	\$135.20	\$108,423	\$118,970	\$123,302
2-in.	21	21	21	\$192.80	\$208.70	\$216.30	\$48,586	\$52,592	\$54,508
Total	39,070	39,169	39,268				\$14,012,575	\$15,212,716	\$15,805,366

Source: Workpapers LRV1a, LRV2, LRV4, and LRV4a

**San Gabriel Valley Water Company
Los Angeles County Division
ESTIMATED REVENUES at PROPOSED RATES**

(continued)

D. 20-08-006 in A.19-01-001
Settlement Workpaper LRV5b

<u>Residential - Multi-Family - Small</u>				<u>Monthly Service Charges</u>			<u>Service Charge Revenues</u>		
<u>Meter Size</u>	<u>Avg. No. of Customers</u>			<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>
5/8 x 3/4-in.	1,717	1,713	1,710	\$24.09	\$26.09	\$27.04	\$496,433	\$536,306	\$554,840
3/4-in.	130	130	130	\$36.14	\$39.14	\$40.56	\$56,378	\$61,058	\$63,274
1-in.	549	548	547	\$60.24	\$65.23	\$67.60	\$396,861	\$428,952	\$443,726
1-1/2-in.	356	355	355	\$120.47	\$130.45	\$135.20	\$514,648	\$555,717	\$575,952
2-in.	190	190	189	\$192.80	\$208.70	\$216.30	\$439,584	\$475,836	\$490,568
Total	2,942	2,936	2,931				\$1,903,904	\$2,057,870	\$2,128,361

<u>Residential - Multi-Family - Large</u>				<u>Monthly Service Charges</u>			<u>Service Charge Revenues</u>		
<u>Meter Size</u>	<u>Avg. No. of Customers</u>			<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>
5/8 x 3/4-in.	1	1	1	\$24.09	\$26.09	\$27.04	\$289	\$313	\$324
3/4-in.	2	2	2	\$36.14	\$39.14	\$40.56	\$867	\$939	\$973
1-in.	12	12	12	\$60.24	\$65.23	\$67.60	\$8,675	\$9,393	\$9,734
1-1/2-in.	28	28	28	\$120.47	\$130.45	\$135.20	\$40,478	\$43,831	\$45,427
2-in.	137	137	137	\$192.80	\$208.70	\$216.30	\$316,963	\$343,103	\$355,597
6-in.	3	3	3	\$1,200.00	\$1,300.00	\$1,350.00	\$43,200	\$46,800	\$48,600
8-in.	8	8	8	\$1,930.00	\$2,090.00	\$2,160.00	\$185,280	\$200,640	\$207,360
10-in.	1	1	1	\$2,770.00	\$3,000.00	\$3,110.00	\$33,240	\$36,000	\$37,320
2-2-in.	22	22	22	\$386.00	\$417.00	\$433.00	\$101,904	\$110,088	\$114,312
3-2-in.	6	6	6	\$578.00	\$626.00	\$649.00	\$41,616	\$45,072	\$46,728
Total	220	220	220				\$772,512	\$836,180	\$866,377

<u>Commercial - Small</u>				<u>Monthly Service Charges</u>			<u>Service Charge Revenues</u>		
<u>Meter Size</u>	<u>Avg. No. of Customers</u>			<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>
5/8 x 3/4-in.	2,461	2,468	2,473	\$24.09	\$26.09	\$27.04	\$711,544	\$772,681	\$802,409
3/4-in.	178	179	179	\$36.14	\$39.14	\$40.56	\$77,195	\$84,073	\$87,123
1-in.	1,072	1,073	1,075	\$60.24	\$65.23	\$67.60	\$774,927	\$839,901	\$872,040
1-1/2-in.	433	434	435	\$120.47	\$130.45	\$135.20	\$625,962	\$679,384	\$705,744
2-in.	545	547	548	\$192.80	\$208.70	\$216.30	\$1,260,912	\$1,369,907	\$1,422,389
3-in.	5	5	5	\$361.40	\$391.40	\$405.60	\$21,684	\$23,484	\$24,336
4-in.	1	1	1	\$602.40	\$652.30	\$676.00	\$7,229	\$7,828	\$8,112
6-in.	2	2	2	\$1,200.00	\$1,300.00	\$676.00	\$28,800	\$31,200	\$16,224
2-2-in.	3	3	3	\$386.00	\$417.00	\$433.00	\$13,896	\$15,012	\$15,588
Total	4,700	4,712	4,721				\$3,522,149	\$3,823,470	\$3,953,965

Source: Workpapers LRV1a, LRV1b, and LRV4a

**San Gabriel Valley Water Company
Los Angeles County Division
ESTIMATED REVENUES at PROPOSED RATES**

(continued)

D.20-08-006 in A, 19-01-001
Settlement Workpaper LRV5c

Commercial - Large				Monthly Service Charges			Service Charge Revenues		
Meter Size	Avg. No. of Customers			2020-2021	2021-2022	2022-2023	2020-2021	2021-2022	2022-2023
5/8 x 3/4-in.	7	7	7	\$24.09	\$26.09	\$27.04	\$2,024	\$2,192	\$2,271
1-in.	16	16	16	\$60.24	\$65.23	\$67.60	\$11,566	\$12,524	\$12,979
1-1/2-in.	29	29	28	\$120.47	\$130.45	\$135.20	\$41,924	\$45,397	\$45,427
2-in.	161	159	156	\$192.80	\$208.70	\$216.30	\$372,490	\$398,200	\$404,914
3-in.	9	9	9	\$361.40	\$391.40	\$405.60	\$39,031	\$42,271	\$43,805
4-in.	10	10	9	\$602.40	\$652.30	\$676.00	\$72,288	\$78,276	\$73,008
6-in.	5	5	5	\$1,200.00	\$1,300.00	\$1,350.00	\$72,000	\$78,000	\$81,000
8-in.	3	3	3	\$1,930.00	\$2,090.00	\$2,160.00	\$69,480	\$75,240	\$77,760
10-in.	2	2	2	\$2,770.00	\$3,000.00	\$3,110.00	\$66,480	\$72,000	\$74,640
2-2-in.	56	55	55	\$386.00	\$417.00	\$433.00	\$259,392	\$275,220	\$285,780
3-2-in.	7	7	7	\$578.00	\$626.00	\$649.00	\$48,552	\$52,584	\$54,516
4-2-in.	2	2	2	\$771.00	\$835.00	\$865.00	\$18,504	\$20,040	\$20,760
2-4-in.	4	4	4	\$1,205.00	\$1,305.00	\$1,352.00	\$57,840	\$62,640	\$64,896
Total	311	308	303				\$1,131,570	\$1,214,583	\$1,241,756

Industrial - Small				Monthly Service Charges			Service Charge Revenues		
Meter Size	Avg. No. of Customers			2020-2021	2021-2022	2022-2023	2020-2021	2021-2022	2022-2023
5/8 x 3/4-in.	2	2	3	\$24.09	\$26.09	\$27.04	\$578	\$626	\$973
1-in.	1	1	1	\$60.24	\$65.23	\$67.60	\$723	\$783	\$811
1-1/2-in.	1	1	1	\$120.47	\$130.45	\$135.20	\$1,446	\$1,565	\$1,622
2-in.	8	8	8	\$192.80	\$208.70	\$216.30	\$18,509	\$20,035	\$20,765
Total	12	12	13				\$21,256	\$23,010	\$24,172

Industrial - Large				Monthly Service Charges			Service Charge Revenues		
Meter Size	Avg. No. of Customers			2020-2021	2021-2022	2022-2023	2020-2021	2021-2022	2022-2023
5/8 x 3/4-in.	1	1	1	\$24.09	\$26.09	\$27.04	\$289	\$313	\$324
1-1/2-in.	4	4	4	\$120.47	\$130.45	\$135.20	\$5,783	\$6,262	\$6,490
2-in.	12	12	13	\$192.80	\$208.70	\$216.30	\$27,763	\$30,053	\$33,743
4-in.	4	4	4	\$602.40	\$652.30	\$676.00	\$28,915	\$31,310	\$32,448
6-in.	3	3	3	\$1,200.00	\$1,300.00	\$1,350.00	\$43,200	\$46,800	\$48,600
2-2-in.	7	7	7	\$386.00	\$417.00	\$433.00	\$32,424	\$35,028	\$36,372
3-2-in.	4	4	4	\$578.00	\$626.00	\$649.00	\$27,744	\$30,048	\$31,152
4-2-in.	2	2	2	\$771.00	\$835.00	\$865.00	\$18,504	\$20,040	\$20,760
1-8, 1-2 in.	1	1	1	\$1,880.00	\$2,040.00	\$2,110.00	\$22,560	\$24,480	\$25,320
Total	38	38	39				\$207,182	\$224,334	\$235,209

Source: Workpapers LRV1b, LRV1c, and LRV4a

San Gabriel Valley Water Company
Los Angeles County Division
ESTIMATED REVENUES at PROPOSED RATES
(continued)

D. 20-08-006 in A, 19-01-001
Settlement Worksheet LRV5d

Public Authority - Small

Meter Size	Avg. No. of Customers			Monthly Service Charges			Service Charge Revenues		
	2020-2021	2021-2022	2022-2023	2020-2021	2021-2022	2022-2023	2020-2021	2021-2022	2022-2023
5/8 x 3/4-in.	35	35	35	\$24.09	\$26.09	\$27.04	\$10,119	\$10,958	\$11,356
3/4-in.	13	13	13	\$36.14	\$39.14	\$40.56	\$5,638	\$6,106	\$6,327
1-in.	48	48	49	\$60.24	\$65.23	\$67.60	\$34,698	\$37,572	\$39,749
1-1/2-in.	70	71	72	\$120.47	\$130.45	\$135.20	\$101,195	\$111,143	\$116,813
2-in.	106	107	108	\$192.80	\$208.70	\$216.30	\$245,242	\$267,971	\$280,325
3-in.	3	3	3	\$361.40	\$391.40	\$405.60	\$13,010	\$14,090	\$14,602
4-in.	1	1	1	\$602.40	\$652.30	\$676.00	\$7,229	\$7,828	\$8,112
2-2-in.	1	1	1	\$386.00	\$417.00	\$433.00	\$4,632	\$5,004	\$5,196
Total	277	279	282				\$421,763	\$460,672	\$482,480

Public Authority - Large

Meter Size	Avg. No. of Customers			Monthly Service Charges			Service Charge Revenues		
	2020-2021	2021-2022	2022-2023	2020-2021	2021-2022	2022-2023	2020-2021	2021-2022	2022-2023
5/8 x 3/4-in.	2	2	2	\$24.09	\$26.09	\$27.04	\$578	\$626	\$649
1-1/2-in.	5	5	5	\$120.47	\$130.45	\$135.20	\$7,228	\$7,827	\$8,112
2-in.	47	48	48	\$192.80	\$208.70	\$216.30	\$108,739	\$120,211	\$124,589
3-in.	5	5	5	\$361.40	\$391.40	\$405.60	\$21,684	\$23,484	\$24,336
4-in.	1	1	1	\$602.40	\$652.30	\$676.00	\$7,229	\$7,828	\$8,112
6-in.	2	2	2	\$1,200.00	\$1,300.00	\$1,350.00	\$28,800	\$31,200	\$32,400
8-in.	4	4	4	\$1,930.00	\$2,090.00	\$2,160.00	\$92,640	\$100,320	\$103,680
2-2-in.	51	51	51	\$386.00	\$417.00	\$433.00	\$236,232	\$255,204	\$264,996
3-2-in.	9	9	9	\$578.00	\$626.00	\$649.00	\$62,424	\$67,608	\$70,092
4-2-in.	1	1	1	\$771.00	\$835.00	\$865.00	\$9,252	\$10,020	\$10,380
2-3-in.	1	1	1	\$723.00	\$783.00	\$811.00	\$8,676	\$9,396	\$9,732
3-4-in.	2	2	2	\$1,810.00	\$1,960.00	\$2,030.00	\$43,440	\$47,040	\$48,720
1-8, 1-2-in.	1	1	1	\$1,880.00	\$2,040.00	\$2,110.00	\$22,560	\$24,480	\$25,320
Total	131	132	132				\$649,482	\$705,244	\$731,118

Recycled Water Service (including special contracts)

Meter Size	Avg. No. of Customers			Monthly Service Charges			Service Charge Revenues		
	2020-2021	2021-2022	2022-2023	2020-2021	2021-2022	2022-2023	2020-2021	2021-2022	2022-2023
1-in.	1	1	1	\$60.24	\$65.23	\$67.60	\$723	\$783	\$811
2-in.	44	44	44	\$192.80	\$208.70	\$216.30	\$101,798	\$110,194	\$114,206
3-in.	1	1	1	\$361.40	\$391.40	\$405.60	\$4,337	\$4,697	\$4,867
4-in.	5	5	5	\$602.40	\$652.30	\$676.00	\$36,144	\$39,138	\$40,560
8-in.	1	1	1	\$1,930.00	\$2,090.00	\$2,160.00	\$23,160	\$25,080	\$25,920
2-2-in.	4	4	4	\$386.00	\$417.00	\$433.00	\$18,528	\$20,016	\$20,784
	56	56	56				\$184,690	\$199,907	\$207,149

Private Fire Protection

Avg. Service Diameter (in.)	Avg. No. of Customers			Monthly Service Charges			Service Charge Revenues		
	2020-2021	2021-2022	2022-2023	2020-2021	2021-2022	2022-2023	2020-2021	2021-2022	2022-2023
6.41 Jun 2018	1,245	1,257	1,270	\$15.92	\$17.24	\$17.87	\$1,524,963	\$1,666,909	\$1,745,692

Source: Workpapers LRV1, LRV1c, LRV1d, LRV2, and LRV4a

D.20-08-006 in A.19-01-001
Settlement Worksheet Table 7C-2

TABLE 7C-2

San Gabriel Valley Water Company
Los Angeles County Division
COMPUTATION OF TAXES ON INCOME
AT PROPOSED RATES
(Dollars in Thousands)

	<u>Test Year</u> <u>2020-2021</u>	<u>Escalation Year</u>	
		<u>2021-2022</u>	<u>2022-2023</u>
<u>Operating Revenues</u>	\$77,518.1	\$83,379.3	\$86,190.4
<u>Deductions</u>			
Operating Expenses, excluding			
Depreciation & Income Taxes	\$52,551.8	\$53,641.2	\$54,597.6
Interest Expense	\$4,490.0	\$4,794.5	\$4,794.5
Subtotal	\$57,041.8	\$58,435.6	\$59,392.0
<u>State Tax Calculation</u>			
Taxable Income Before Deductions	\$20,476.3	\$24,943.7	\$26,798.3
Less: Depreciation-State	\$12,715.5	\$14,613.8	\$16,512.1
Less: Repair Regulations Deduction	\$1,339.9	\$1,396.4	\$1,307.2
State Taxable Income	\$6,420.8	\$8,933.4	\$8,979.0
State Corporate Franchise Tax at 8.84%	\$567.6	\$789.7	\$793.7
Amortization of AIAC/CIAC Tax	\$49.9	\$63.2	\$65.8
Total State Income Tax Expense	\$617.5	\$852.9	\$859.5
<u>Federal Tax Calculation</u>			
Taxable Income Before Deductions	\$20,476.3	\$24,943.7	\$26,798.3
Less: Depreciation-Federal (book)	\$7,326.7	\$7,799.8	\$8,272.8
Less: State Corp. Franchise Tax - Prior Year	\$1,036.3	\$617.5	\$852.9
Federal Taxable Income	\$12,113.3	\$16,526.4	\$17,672.6
Federal Tax at 21%	\$2,543.8	\$3,470.5	\$3,711.2
Amortization of AIAC/CIAC Tax	\$108.1	\$136.9	\$142.5
Amortization of EDIT	(\$278.4)	(\$278.4)	(\$278.4)
Amortization of EDIT (Jan. 2018 - Jun. 2020)	(\$1,980.5)	\$0.0	\$0.0
Total Federal Income Tax Expense	\$393.0	\$3,329.1	\$3,575.3

D.20-08-006 in A.19-01-001
Settlement Worksheet Table 8C

TABLE 8C

San Gabriel Valley Water Company
Los Angeles County Division
FORECASTED UTILITY PLANT

(Dollars in Thousands)

<u>Plant Account</u>	<u>Forecasted Year-End Balances</u>			
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
301 - Organization	\$13.8	\$13.8	\$13.8	\$13.8
302 - Franchises	\$2.5	\$2.5	\$2.5	\$2.5
303 - Other Intangible Plant	\$0.0	\$0.0	\$0.0	\$0.0
306 - Land and Land Rights	\$16,897.3	\$16,771.5	\$16,645.7	\$16,519.8
315 - Wells	\$9,559.9	\$9,559.9	\$9,559.9	\$9,559.9
321 - Pumping Structures	\$15,382.1	\$16,362.1	\$16,492.1	\$17,584.1
324 - Pumping Equipment	\$31,227.2	\$33,611.7	\$34,496.3	\$36,841.8
331 - Treatment Structures	\$5,185.4	\$5,185.4	\$5,185.4	\$5,185.4
332 - Treatment Equipment	\$50,854.9	\$53,204.9	\$55,859.9	\$55,859.9
342 - Reservoirs	\$25,393.0	\$29,630.6	\$36,777.1	\$40,133.7
343 - Mains	\$130,706.6	\$141,734.5	\$150,662.5	\$158,390.4
344 - Fire Mains	\$15.1	\$15.1	\$15.1	\$15.1
345 - Services	\$48,870.3	\$51,369.0	\$54,112.7	\$57,109.4
345A - Fire Services	\$9,355.3	\$9,355.3	\$9,355.3	\$9,355.3
346 - Meters	\$1,757.5	\$2,551.5	\$3,345.5	\$4,139.5
348 - Fire Hydrants	\$7,114.0	\$7,266.2	\$7,453.3	\$7,605.5
371 - Structures & Improvements	\$2,077.4	\$2,289.4	\$2,706.4	\$3,153.4
372 - Office Equipment	\$2,937.0	\$3,337.5	\$3,757.9	\$4,193.4
373 - Transportation Equipment	\$3,206.7	\$3,449.6	\$3,793.5	\$3,974.4
376 - Communication Equipment	\$498.8	\$566.8	\$634.9	\$702.9
378 - Tools & Equipment	\$1,129.7	\$1,298.5	\$1,337.3	\$1,381.1
Total Plant in Service	\$362,184.7	\$387,575.9	\$412,207.1	\$431,721.3
Construction Work in Progress	\$9,405.1	\$9,405.1	\$9,405.1	\$9,405.1
Total	\$371,589.8	\$396,981.0	\$421,612.2	\$441,126.4
Forecasted Average Year Balances				
	Estimated	Test Year	Test Year	
	2019	2020-2021	2021-2022	
Total	\$359,777.6	\$396,981.0	\$421,612.2	

Aug. Plant E.Y. '21-'22

Aug. Plant E.Y. '22-'23

Avg: \$409,290.6
B.O.Y. Plant E.Y. '21-'22

Avg: \$431,369.3
B.O.Y. Plant E.Y. '22-'23

ADVICE LETTER NO. 554

San Gabriel Valley Water Company
Los Angeles County Division
WATER COST SUMMARY

AL 554 Workpaper
Page 3

	Adopted - Pending AL 552			Current	
	Quantity Basis (AF)	Unit Cost (\$/AF)	Total Cost or Assessment (\$000)	Unit Cost (\$/AF)	Total Cost or Assessment (\$000)
<u>MAIN SAN GABRIEL BASIN</u>					
Safe Yield	130,000.0				
Share of Safe Operating Yield	13,408.0				
Leased Water Rights	3,500.0	\$751.97	\$2,631.9	\$772.20	\$2,702.7
Cyclic Storage	3,600.0	\$798.00	\$2,872.8	\$858.00	\$3,088.8
Watermaster Assessments					
Total Production Assessments					
In-Lieu Assessment	28,766.0	\$10.00	\$287.7	\$8.00	\$230.1
Water Resource Development Assessment	28,766.0	\$105.00	\$3,020.4	\$175.00	\$5,034.1
Administrative Assessment	28,766.0	\$15.00	\$431.5	\$17.00	\$489.0
Long Beach Make-up Assessment	28,766.0	\$0.00	\$0.0	\$0.00	\$0.0
Other Watermaster Assessment	28,766.0	\$0.00	\$0.0	\$0.00	\$0.0
Replacement Water Assessment	8,257.7	\$934.00	\$7,712.7	\$980.00	\$8,092.5
Association Assessment (2018/19 Production)	27,982.0	\$1.30	\$36.4	\$1.30	\$36.4
WQA Assessment (Prescriptive Right)	20,384.0	\$10.00	\$203.8	\$12.00	\$244.6
SGV Protective Assessment	Annual	\$50.00	\$0.1	\$50.00	\$0.1
Recycled Water USGVMWD	2,478.2	\$747.20	\$1,851.7	\$784.00	\$1,942.9
Recycled Water CSD of LAC	12.0	\$532.00	\$6.4	\$590.00	\$7.1
Subtotal: Production plus Recycled Water	31,255.9		\$19,055.3		\$21,868.3
<u>CENTRAL BASIN</u>					
Purchased Water (MWD Tier 2)	0.00	\$1,073.00	\$0.0	\$1,268.00	\$0.0
Connection Maintenance Charge, per month	Monthly	\$1,215.00	\$14.6	\$1,755.00	\$21.1
Replenishment Assessment	2,565.4	\$339.00	\$869.7	\$382.00	\$980.0
Association Assessment	2,565.4	\$0.50	\$1.3	\$0.50	\$1.3
Watermaster Service Assessment	Annual	\$4,701.26	\$4.7	\$4,186.78	\$4.2
CBMWD Recycled Water	100.0	\$649.00	\$64.9	\$759.00	\$75.9
Subtotal: Production plus Recycled Water	2,665.4		\$955.1		\$1,082.4
Total	33,921.3		\$20,010.4		\$22,950.7
Composite Cost		\$589.91	per Acre-Foot	\$676.59	per Acre-Foot

ADVICE LETTER NO. 568

San Gabriel Valley Water Company
 Los Angeles County Division
Purchased Power Expenses

Advice Letter 568 Workpaper
 p.4

	ADOPTED COSTS - AL 552-A	PRESENT COSTS AL 568	INCREASE / (DECREASE)
<u>Schedule TOU-GS-1</u>			
Energy in kWh	41,740	41,740	-
Cost per kWh	\$0.134137	\$0.194822	\$0.060685
Annual Expense	\$5,599	\$8,132	\$2,533
<u>Schedule TOU-GS-2</u>			
Energy in kWh	177,950	177,950	-
Cost per kWh	\$0.173532	\$0.247838	\$0.074306
Annual Expense	\$30,880	\$44,103	\$13,223
<u>Schedule TOU-8</u>			
Energy in kWh	15,615,510	15,615,510	-
Cost per kWh	\$0.135662	\$0.183539	\$0.047877
Annual Expense	\$2,118,426	\$2,866,050	\$747,623
<u>Schedule TOU-PA-2</u>			
Energy in kWh	3,222,248	3,222,248	-
Cost per kWh	\$0.127877	\$0.191689	\$0.063812
Annual Expense	\$412,051	\$617,668	\$205,617
<u>Schedule TOU-PA-3</u>			
Energy in kWh	10,699,469	10,699,469	-
Cost per kWh	\$0.108542	\$0.163352	\$0.054810
Annual Expense	\$1,161,341	\$1,747,780	\$586,438
TOTAL POWER COSTS			
Energy in kWh	29,756,918	29,756,918	-
Cost per kWh	\$0.125292	\$0.177563	\$0.052271
Annual Expense	\$3,728,297	\$5,283,732	\$1,555,435

SAN GABRIEL VALLEY WATER COMPANY
 Los Angeles County Division
 Advice Letter 570-A
 Summary of Earnings
 (\$000)

AL 570-A Workpaper
 P. 3

	Previously Adopted - AL 554	Basis	Escalation (REVISED)		REVISIED - Esc. Year 2021-2022	ADD - Approved AL 568 Power Cost Offset	PROPOSED - AL 570-A
			Rate / Factor	Increase \$ %			
Operating Revenues	\$80,490.2	Calculated		\$5,971.8 7.4%	\$86,462.0	\$1,572.3	\$88,034.3
Operating Expenses							
Purchased Water & Assessments	\$22,950.7	Sales Growth	1.0002	\$4.5	\$22,955.2		\$22,955.2
Purchased Power	\$3,728.3	Sales Growth	1.0002	\$0.7	\$3,729.0	\$1,555.4	\$5,284.4
Chemicals	\$3,544.9	Composite Non-Labor + Cust. Growth	1.0264	\$93.7	\$3,638.6		\$3,638.6
Payroll	\$6,296.5	Labor + Cust. Growth	1.0201	\$126.8	\$6,423.3		\$6,423.3
Materials & Supplies	\$1,516.2	Composite Non-Labor + Cust. Growth	1.0264	\$40.1	\$1,556.3		\$1,556.3
Transportation	\$904.1	Composite Non-Labor + Cust. Growth	1.0264	\$23.9	\$928.0		\$928.0
Insurance	\$1,263.9	Composite Non-Labor + Cust. Growth	1.0264	\$33.4	\$1,297.3		\$1,297.3
Pensions & Benefits	\$2,759.5	Labor + Cust. Growth	1.0201	\$55.6	\$2,815.1		\$2,815.1
Uncollectibles	\$58.0	Calculated	0.0808%	\$4.8	\$62.8	\$1.3	\$64.1
Franchise Fees	\$710.0	Calculated	0.9894%	\$59.1	\$769.1	\$15.6	\$784.7
Regulatory Commission Expense	\$373.8	Composite Non-Labor + Cust. Growth	1.0264	\$9.9	\$383.7		\$383.7
Outside Services	\$1,789.6	CPI-U + Cust. Growth	1.0283	\$50.7	\$1,840.3		\$1,840.3
Utilities & Rents	\$1,395.1	Composite Non-Labor + Cust. Growth	1.0264	\$36.9	\$1,431.9		\$1,431.9
Miscellaneous Expense	\$1,080.4	Composite Non-Labor + Cust. Growth	1.0264	\$28.6	\$1,108.9		\$1,108.9
Administrative Expense Transferred	(\$2,163.0)	Composite Non-Labor + Cust. Growth	1.0264	(\$57.2)	(\$2,220.2)		(\$2,220.2)
Subtotal	\$46,207.9			\$511.4	\$46,719.3	\$1,572.3	\$48,291.6
Allocated Common Expenses	\$6,416.4	Composite Non-Labor + Cust. Growth	1.0264	\$169.6	\$6,586.0		\$6,586.0
Total Operating Expense	\$52,624.3			\$681.0	\$53,305.3	\$1,572.3	\$54,877.6
Depreciation	\$7,326.7	Average Plant	1.0620	\$454.6	\$7,781.2		\$7,781.2
Ad Valorem Taxes	\$2,043.2	B.O.Y. Plant	1.0651	\$133.0	\$2,176.1		\$2,176.1
Payroll Taxes	\$856.5	Labor + Cust. Growth	1.0201	\$17.2	\$873.7		\$873.7
Total Expense before Income Taxes	\$62,850.6			\$1,285.8	\$64,136.4	\$1,572.3	\$65,708.7
Net Revenue Before Income Taxes	\$17,639.6				\$22,325.6	\$0.0	\$22,325.6
State Income Tax	\$617.5	Calculated			\$886.1		\$886.1
Federal Income Tax	\$393.0	Calculated			\$3,686.2		\$3,686.2
Total Expenses	\$63,861.1				\$68,708.7	\$1,572.3	\$70,281.0
Net Operating Revenues	\$16,629.1				\$17,753.3	\$0.0	\$17,753.3
Rate Base	\$204,759.1	Adopted			\$218,643.6		\$218,643.6
Rate of Return	8.12%				8.12%		8.12%

Year 2021

Sum of Customer Count	Column Labels									
Row Labels	4	5	6	7	8	9	10	11	12	
	L	L	L	L	L	L	L	L	L	L
Commercial	5,006	5,004	5,006	5,007	5,005	4,998	4,999	5,009	5,007	
Large	318	318	318	318	318	318	317	317	317	
Small	4,688	4,686	4,688	4,689	4,687	4,680	4,682	4,692	4,690	
Construction	23	22	22	28	27	27	32	28	29	
Large	23	22	22	28	27	27	32	28	29	
Industrial	47	47	47	47	46	47	46	46	46	
Large	37	37	37	37	36	37	36	36	36	
Small	10	10	10	10	10	10	10	10	10	
Multi-family Residential	3,247	3,248	3,247	3,245	3,245	3,245	3,245	3,245	3,245	
Large	222	222	222	222	222	222	222	222	222	
Small	3,025	3,026	3,025	3,023	3,023	3,023	3,023	3,023	3,023	
Private Fire Service	1,254	1,255	1,255	1,258	1,258	1,259	1,260	1,262	1,264	
Large	1,254	1,255	1,255	1,258	1,258	1,259	1,260	1,262	1,264	
Public Authority	413	413	415	416	416	417	417	412	412	
Large	144	144	144	144	144	144	144	142	142	
Small	269	269	271	272	272	273	273	270	270	
Recycled	56	56	56	56	56	56	56	56	56	
Large	56	56	56	56	56	56	56	56	56	
Residential	39,325	39,321	39,329	39,349	39,350	39,369	39,379	39,383	39,367	
Small	39,325	39,321	39,329	39,349	39,350	39,369	39,379	39,383	39,367	
Grand Total	49,371	49,366	49,377	49,406	49,403	49,418	49,434	49,441	49,426	

Year 2022

Sum of Customer Count	Column Labels		
Row Labels	1	2	3
	L	L	L
Commercial	5,012	5,016	5,005
Large	318	318	317
Small	4,694	4,698	4,688
Construction	23	20	22
Large	23	20	22
Industrial	46	46	46
Large	36	36	36
Small	10	10	10
Multi-family Residential	3,245	3,244	3,245
Large	222	222	222
Small	3,023	3,022	3,023
Private Fire Service	1,268	1,268	1,268
Large	1,268	1,268	1,268
Public Authority	412	412	412
Large	142	142	142
Small	270	270	270
Recycled	56	56	56
Large	56	56	56
Residential	39,384	39,380	39,382
Small	39,384	39,380	39,382
Grand Total	49,446	49,442	49,436

Year 2021

Sum of Consumption	Column Labels									
Row Labels	4	5	6	7	8	9	10	11	12	
	L	L	L	L	L	L	L	L	L	
Commercial	267,123	256,585	278,019	300,816	281,587	291,528	267,433	242,166	225,332	
Large	168,602	158,325	172,029	188,643	170,041	177,828	161,948	143,328	131,697	
Small	98,521	98,260	105,990	112,173	111,546	113,700	105,485	98,838	93,635	
Construction	1,096	2,406	343	3,666	1,844	1,044	734	577	158	
Large	1,096	2,406	343	3,666	1,844	1,044	734	577	158	
Industrial	80,696	75,528	77,267	83,466	76,883	79,981	71,728	68,064	62,512	
Large	79,477	74,345	75,859	81,834	75,007	77,997	69,950	66,585	61,092	
Small	1,219	1,183	1,408	1,632	1,876	1,984	1,778	1,479	1,420	
Multi-family Residential	196,439	187,144	197,524	207,215	200,333	203,615	192,459	177,033	173,315	
Large	73,869	70,282	72,813	77,168	72,986	76,238	73,811	66,417	62,487	
Small	122,570	116,862	124,711	130,047	127,347	127,377	118,648	110,616	110,828	
Private Fire Service										
Large										
Public Authority	96,119	98,713	108,217	135,409	110,942	117,942	112,035	82,743	64,628	
Large	85,553	88,024	94,262	119,216	97,985	102,830	98,998	71,374	54,457	
Small	10,566	10,689	13,955	16,193	12,957	15,112	13,037	11,369	10,171	
Recycled	74,620	74,358	92,237	120,041	120,616	101,815	72,955	56,175	27,620	
Large	74,620	74,358	92,237	120,041	120,616	101,815	72,955	56,175	27,620	
Residential	495,180	497,811	559,875	604,075	581,578	569,540	506,863	444,494	427,058	
Small	495,180	497,811	559,875	604,075	581,578	569,540	506,863	444,494	427,058	
Grand Total	1,211,273	1,192,545	1,313,482	1,454,688	1,373,783	1,365,465	1,224,207	1,071,252	980,623	

Year 2022

Sum of Consumption	Column Labels		
Row Labels	1 L	2 L	3 L
Commercial	211,482	239,599	257,185
Large	129,298	150,975	156,673
Small	82,184	88,624	100,512
Construction	217	222	424
Large	217	222	424
Industrial	58,007	74,278	74,673
Large	56,996	73,169	73,205
Small	1,011	1,109	1,468
Multi-family Residential	168,839	180,501	185,754
Large	62,518	68,581	67,335
Small	106,321	111,920	118,419
Private Fire Service			
Large			
Public Authority	67,989	93,863	83,050
Large	61,558	85,074	72,221
Small	6,431	8,789	10,829
Recycled	16,545	50,998	56,734
Large	16,545	50,998	56,734
Residential	366,709	417,558	457,990
Small	366,709	417,558	457,990
Grand Total	889,788	1,057,019	1,115,810

SAN GABRIEL VALLEY WATER COMPANY
 LOS ANGELES DIVISION
 CALCULATION OF CONTRACT WATER RATES
 AS A RESULT OF SOURCE RATE CHANGES

To: Shawn C.
 Cc: Dan A., Leo B.

<u>Tariff Code</u>	<u>Customer</u>	<u>Source</u>	<u>Description of Water Cost Used</u>	<u>Amount</u>	<u>Quantity Rate Per Ccf</u>	<u>Effective Date</u>
QUANTITY CHARGE						
12	Jose Munoz Nursery	MSG Basin/LA-1	See separate calculation for nurseries		\$2.6225	1/1/2022
14	Whittier Narrows Recreation Park	MSG Basin	125% of USGVMWD Recycled Water Rate	\$801.60 /AF	\$2.3003	7/1/2021
15	Whittier Narrows Golf Course	LA-1 Quantity Charge	80% of LA-1 (<u>excludes</u> any surcharges and surcredits)	\$3.9062 /Ccf	\$3.12	1/1/2022
17	Grant Rea Park Recycled Water	LA-1 Quantity Charge	70% of LA-1 (<u>includes</u> any surcharges and surcredits)	\$4.2732 /Ccf	\$2.9912	1/1/2022

SERVICE CHARGE

12	Jose Munoz Nursery	2-inch LA-1 Meter Charge
14	Whittier Narrows Recreation Park	2-Inch LA-6 Meter Charge divided equally by 9 meters (total chg. Is for 1 2-inch meter)
15	Whittier Narrows Golf Course	2-inch LA-1 Meter Charge
17	Grant Rea Park Recycled Water	2-2 inch LA-1

Key:
 MWD = Metropolitan Water District
 USGVMWD = Upper San Gabriel Valley Municipal Water District

Consumer Price Index Data from 1913 to 2022

Consumer Price Index (CPI-U) data is provided by the U.S. Department of Labor Bureau of Labor Statistic. This monthly pipeline of data is the gas powering this site's always-current Inflation Calculator. The following CPI data was updated by the government agency on May 11 and covers up to April 2022. Inflation data for May will be released on June 10, 2022.

What is the CPI? Before jumping into the data, if you want to learn about the Consumer Price Index and how it is used to calculate inflation, read this CPI article.

All Urban Consumers – (CPI-U) 1913-2022*

Year													Annual
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Avg
1913	9.8	9.8	9.8	9.8	9.7	9.8	9.9	9.9	10.0	10.0	10.1	10.0	9.9
1914	10.0	9.9	9.9	9.8	9.9	9.9	10.0	10.2	10.2	10.1	10.2	10.1	10.0
1915	10.1	10.0	9.9	10.0	10.1	10.1	10.1	10.1	10.1	10.2	10.3	10.3	10.1
1916	10.4	10.4	10.5	10.6	10.7	10.8	10.8	10.9	11.1	11.3	11.5	11.6	10.9
1917	11.7	12.0	12.0	12.6	12.8	13.0	12.8	13.0	13.3	13.5	13.5	13.7	12.8
1918	14.0	14.1	14.0	14.2	14.5	14.7	15.1	15.4	15.7	16.0	16.3	16.5	15.1
1919	16.5	16.2	16.4	16.7	16.9	16.9	17.4	17.7	17.8	18.1	18.5	18.9	17.3
1920	19.3	19.5	19.7	20.3	20.6	20.9	20.8	20.3	20.0	19.9	19.8	19.4	20.0
1921	19.0	18.4	18.3	18.1	17.7	17.6	17.7	17.7	17.5	17.5	17.4	17.3	17.9
1922	16.9	16.9	16.7	16.7	16.7	16.7	16.8	16.6	16.6	16.7	16.8	16.9	16.8
1923	16.8	16.8	16.8	16.9	16.9	17.0	17.2	17.1	17.2	17.3	17.3	17.3	17.1
1924	17.3	17.2	17.1	17.0	17.0	17.0	17.1	17.0	17.1	17.2	17.2	17.3	17.1
1925	17.3	17.2	17.3	17.2	17.3	17.5	17.7	17.7	17.7	17.7	18.0	17.9	17.5
1926	17.9	17.9	17.8	17.9	17.8	17.7	17.5	17.4	17.5	17.6	17.7	17.7	17.7
∨	17.5	17.4	17.3	17.3	17.4	17.6	17.3	17.2	17.3	17.4	17.3	17.3	17.4

2014	233.916	234.781	236.293	237.072	237.900	238.343	238.250	237.852	238.031	237.433	236.151	234.812	236.736
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	237.017
2016	236.916	237.111	238.132	239.261	240.236	241.038	240.647	240.853	241.428	241.729	241.353	241.432	240.007
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	245.120
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006	252.146	252.439	252.885	252.038	251.233	251.107
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974	255.657
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.280	260.388	260.229	260.474	258.811
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.310	276.589	277.948	278.802	270.970
2022	281.148	283.716	287.504	289.109	Avail. June 10								

8.26%

*Base year is chained; 1982-1984 = 100. This table of CPI data is based upon a 1982 base of 100. What does this mean? A CPI of 195.3, as an example from 2005, indicates 95.3% inflation since 1982.

MEMORANDUM

Date: May 2, 2022

To: R. Rauschmeier, Program Manager, Public Advocates Office

From: R. Keowen, Financial Examiner, Public Advocates Office, Water Branch

File No. : S-2559

Subject: Public Advocates Office: Estimates of Non-labor and Wage Escalation Rates for 2022 through 2026 from the April 2022 IHS Global Insight U.S. Economic Outlook

The purpose of the monthly Escalation Memorandum is to inform division management of the trends in the general price level of utility non-labor expenses and wage contracts. Data are provided for 13 years, which include eight historic years, the estimated current year, and four forecasted years.

The following table summarizes the major changes in forecasted labor and non-labor inflation for years 2022 through 2026. Data for 2021 are provided as benchmarks. The factors for March 2022 are presented for comparison.

	Labor		Non-Labor	
	<u>April-22</u>	<u>March-22</u>	<u>April-22</u>	<u>March-22</u>
2021	1.2%	1.2%	14.7%	14.7%
2022	4.7%	4.7%	6.6%	9.0%
2023	6.8%	6.2%	-3.6%	3.3%
2024	2.6%	2.6%	-1.2%	2.3%
2025	2.1%	2.1%	-0.3%	2.3%
2026	1.9%	2.1%	0.3%	2.3%
Compounded	20.8%	20.3%	16.6%	38.4%

Handwritten notes: "AVG 5.75%" circled around 2022-2023 Labor values; "AVG 1.50%" circled around 2022-2023 Non-Labor values.

A more extensive explanation of the derivation and use of the above factors and a complete presentation of the escalation factors from 2014 through 2026 are provided in the attached appendix.

APPENDIX: EXPLANATION OF ESCALATION RATES

The recommended NON-LABOR ESCALATION RATES for 2014 through 2026 are presented in Table A. The values for 2014 through 2021 are provided for comparison.

TABLE
A

Year	Non-Labor Inflation Rate*
2014	0.9%
2015	-2.8%
2016	-1.1%
2017	3.7%
2018	4.1%
2019	0.1%
2020	-0.5%
2021	14.7%
2022	6.6%
2023	-3.6%
2024	-1.2%
2025	-0.3%
2026	0.3%

* Revised 07/17/97 based on 1995 re-weighted purchases. [Source: BLS, Supplement to Producer Price Indexes, 1995, Table 12]

These escalation rates represent the calendar year average, or alternatively stated, the 12-month-ended spot rate at mid-year. These price factors have not been adjusted for real growth of expensed materials and services. The escalation factors are generated from a composite index of 10 Wholesale Price Indexes (WPI) for materials and supplies expenses and the CPI-U weighted 5% for services and consumer-related items. **These non-labor rates are not applicable to plant, contracted services, loans, insurance, rents, and pensions and other utility employee benefits. Escalation of these expenses is addressed on pages 10-15 of D.04-06-018/R.03-09-005 (Water Rate Case Plan).**

491

MEMORANDUM

Date: May 2, 2022

To: R. Rauschmeier, Program Manager, Public Advocates Office

From: R. Keowen, Financial Examiner, Public Advocates Office, Water Branch

File No.: S-2559

Subject: Public Advocates Office April 2022 Summary of Compensation Per Hour

The following data are provided to Commission water utilities staff to enable them to utilize Public Advocates Office composite non-labor escalation methodology. The numbers are to be used in conjunction with the non-labor factors provided in Public Advocates Office monthly escalation memorandum to bring historic dollars to base year dollars and to inflate recorded dollars to test year levels. The annual change in Compensation per Hour is applicable to contracted services, while the non-labor factor is related to material and supply purchases. In accordance with a 1991 agreement between the CPUC Water Division and the California Water Association (CWA), the monthly non-labor rate is to be weighted by 60 percent and the Compensation per Hour Index weighted 40 percent. If you have any questions regarding the application of these factors, please contact me.

COMPENSATION PER HOUR

Annual Rate of Change

Non-farm Business Sector, Seasonally Adjusted

<u>Year</u>	<u>Annual Change</u>
2011	2.2%
2012	2.7%
2013	1.2%
2014	2.8%
2015	3.1%
2016	1.1%
2017	3.5%
2018	3.4%
2019	3.9%
2020	7.0%
2021	5.3%
2022	5.7%
2023	4.7%
2024	4.3%
2025	4.0%
2026	3.7%

Avg
5.2%

SAN GABRIEL VALLEY WATER COMPANY				
RECORDED SUMMARY OF EARNINGS				
	12MOS	12MOS	12MOS	
	2022	2022	2022	
	MAR	MAR	MAR	
	LAC	FWC	TOTAL	
Operating Revenues	\$85,945,890	\$91,061,759	\$177,007,649	
Operating Expenses				
Purchased Water & Assessments	\$19,779,711	\$23,237,927	\$43,017,639	
Purchased Power	\$5,041,673	\$6,182,583	\$11,224,256	
Chemicals	\$2,349,851	\$683,218	\$3,033,069	
Payroll	\$7,276,179	\$7,059,778	\$14,335,957	
Materials & Supplies	\$3,348,775	\$1,301,768	\$4,650,543	
Transportation	\$933,408	\$1,026,407	\$1,959,815	
Insurance	\$1,227,999	\$1,249,692	\$2,477,690	
Pensions & Benefits	\$3,166,892	\$3,283,747	\$6,450,639	
Uncollectibles	\$40,460	\$75,002	\$115,462	
Franchise Fees	\$720,597	\$564,188	\$1,284,785	
Regulatory Commission Expense	\$114,222	\$129,340	\$243,562	
Outside Services	\$2,293,655	\$2,114,446	\$4,408,101	
Utilities & Rents	\$1,085,681	\$169,184	\$1,254,865	
Miscellaneous Expense	\$1,038,011	\$776,747	\$1,814,758	
Administrative Expense Transferred	(\$1,646,741)	(\$3,013,461)	(\$4,660,202)	
Subtotal	\$46,770,373	\$44,840,565	\$91,610,939	
Allocated Common Expenses	\$5,677,470	\$5,857,463	\$11,534,933	
Total Operating Expense	\$52,447,843	\$50,698,029	\$103,145,872	
Depreciation	\$7,737,352	\$9,185,111	\$16,922,463	
Ad Valorem Taxes	\$2,522,179	\$1,906,443	\$4,428,622	
Payroll Taxes	\$877,049	\$862,161	\$1,739,209	
Total Expense before Income Taxes	\$63,584,423	\$62,651,743	\$126,236,167	
Net Revenue Before Income Taxes	\$22,361,467	\$28,410,016	\$50,771,483	
State Income Tax	\$1,210,773	\$627,178	\$1,837,951	
Federal Income Tax	\$2,655,879	\$870,091	\$3,525,970	
Total Expenses	\$67,451,075	\$64,149,013	\$131,600,088	
Net Operating Revenues	\$18,494,815	\$26,912,746	\$45,407,561	
Average Ratemaking Adjusted Rate Base	\$224,293,613	\$204,964,503	\$429,258,115	
Rate of Return	8.25%	13.13%	10.58%	