

**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: Fontana Water Co. Division

CPUC Utility #: U337W

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

Advice Letter #: 579

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: \$2,135,792
2.4%

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WITHDRAWN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

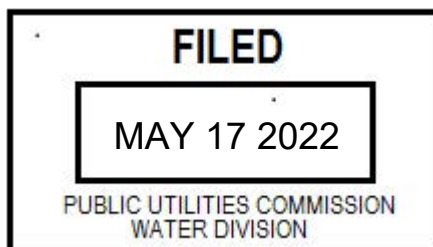
Signature: _____

Comments: _____

Date: _____

SAN GABRIEL VALLEY WATER COMPANY

May 17, 2022



Advice Letter No. 579

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 Fontana Water Company division:

| CPUC Sheet No. | Title | Schedule No. | Cancelling CPUC Sheet No. |
|-------------------|--|-----------------|---------------------------------|
| 3216-W | General Metered Service | FO-1 | 3178-W |
| 3217-W | General Metered Service (continued) | FO-1 | 3171-W |
| 3218-W | General Metered Service – Conservation Rates | FO-1C | 3179-W |
| 3219-W | Private Fire Service | FO-4 | 3173-W |
| 3220-W | Recycled Water Metered Service | FO-6 | 3180-W |
| 3221-W | Recycled Water Metered Service (continued) | FO-6 | 3175-W |
| 3222-W | Preliminary Statement, Paragraph H2 | N/A | 3181-W |
| 3223-W | Table of Contents | N/A | 3215-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 \$2,135,792, or 2.4% 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 Fontana Water Company 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 Fontana Water Company division became effective on January 1, 2022, through Advice Letter 572-A to implement a Water Cost Offset.

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 \$2,135,792, or 2.4% 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 8.67%, which is greater than the adjusted-adopted rate of return of 8.26%. Therefore, San Gabriel has reduced its requested increase by \$1,162,407 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 15 hundred cubic feet ("Ccf") of water on General Service Rate Schedule FO-1 by \$1.96 or 2.3%, from \$84.35 to \$86.31. The proposed rates will increase the monthly bill of the typical residential customer with a 5/8" x 3/4" meter and using 15 Ccf of water on Conservation Rate Schedule FO-1C by \$1.91 or 2.3%, from \$82.54 to \$84.45.

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 Fontana Water Company 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.fontanawater.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 579** for the Fontana Water Company Division. SGVWC intends to provide customer notification of **Advice Letter 579** to affected customers in the Fontana Water Company 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 Fontana Water Company division customers’ first bill generated after the rate change goes into effect to inform them of the rate change approved in **Advice Letter 579**. 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.fontanawater.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

Fontana Water Company Division

Effective Jul. 1, your bill includes an increase for Escalation Year 2022-2023 as approved in Advice Letter 579. A typical residential customer will experience an increase of \$1.91 or 2.3%. If your bill covers a period before Jul. 1, it has been prorated. Learn more at <https://www.fontanawater.com/rates-regulatory/advice-letter-filings-with-cpuc/>.

ADVICE LETTER DISTRIBUTION LIST

San Gabriel Valley Water Company
Fontana Water Company Division
Advice Letter No. 579

Kendall H. MacVey, Esq.
Best, Best & Krieger, LLP
3390 University Avenue 5th Floor
Riverside, CA 92501

Carlos Rodriquez
Building Industry Association of Southern California –
17192 Murphy Ave., #14445
Irvine, CA 92623

City of Colton Water Department
650 North La Cadena Drive
Colton, CA 92324

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

Cucamonga Valley Water District
Post Office Box 638
Rancho Cucamonga, CA 91730

Phillip Burum
Deputy City Manager
City of Fontana
8353 Sierra Avenue
Fontana, CA 92335

Dan West
Public Works Director
City of Fontana Public Service Department
16489 Orange Way
Fontana, CA 92335

Marvin T. Sawyer, District Counsel
Fontana Unified School District
Business Services Office
9680 Citrus Avenue
Fontana, CA 92335

Samuel Martinez, Executive Officer
Local Agency Formation Commission for
San Bernardino County
1170 West Third Street, Unit 150
San Bernardino, CA 92415-0490

City of Ontario Water Department
303 East B Street
Ontario, CA 91764

City of Rialto Water Department
150 South Palm Avenue
Rialto, CA 92376

West Valley Water District
Post Office Box 920
Rialto, CA 92377

Kiki Carlson
Suburban Water Systems
kcarlson@swwc.com

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3216-W
Cal. P.U.C. Sheet No. 3178-W

SCHEDULE NO. FO-1
Fontana Water Company
GENERAL METERED SERVICE

APPLICABILITY

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

TERRITORY

Portions of Fontana, Rancho Cucamonga, Rialto, and vicinity, San Bernardino County.

RATES

Quantity Rates:

For all water used, per 100 cu. ft. \$4.1410 (I)

Per Meter
Per Month

Service Charges:

| | | |
|--------------------------------|----------|-----|
| For 5/8 x 3/4-inch meter | \$ 20.61 | (I) |
| For 3/4-inch meter..... | 30.89 | |
| For 1-inch meter..... | 51.49 | |
| For 1-1/2-inch meter | 102.96 | |
| For 2-inch meter..... | 164.73 | |
| For 3-inch meter..... | 308.91 | |
| For 4-inch meter..... | 514.78 | |
| For 6-inch meter..... | 1,028.00 | |
| For 8-inch meter..... | 1,651.00 | |
| For 10-inch meter..... | 2,362.00 | |
| For 12-inch meter..... | 3,402.00 | (I) |

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 579

J. M. Reiker

Date Filed _____

Decision No. _____

NAME

Effective _____

Vice President of Regulatory Affairs

TITLE

Resolution No. _____

SCHEDULE NO. FO-1
Fontana Water Company
GENERAL METERED SERVICE
(continued)

RATES (continued)

| | <u>Per Battery</u> <u>Per Month</u> | |
|---|--|-----|
| For two 2-inch meters | \$ 329.00 | (I) |
| For three 2-inch meters | 494.00 | |
| For four 2-inch meters | 659.00 | |
| For Five 2-inch meters | 824.00 | |
| For two 3-inch meters | 619.00 | |
| For three 3-inch meters | 926.00 | |
| For two 4-inch meters | 1,030.00 | |
| For three 4-inch meters | 1,545.00 | |
| For one 8-inch meter, two 2-inch meters | 1,977.00 | |
| For two 8-inch meters | 3,295.00 | (I) |

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added to the quantity charge 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 on Schedule No. FO-AS.

(To be inserted by utility)

Advice Letter No. 579
Decision No. _____

Issued by

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

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

Date Filed _____
Effective _____
Resolution No. _____

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised
Cancelling Revised

Cal. P.U.C. Sheet No. 3218-W
Cal. P.U.C. Sheet No. 3179-W

SCHEDULE NO. FO-1C
Fontana Water Company
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 Fontana, Rancho Cucamonga, Rialto, and vicinity, San Bernardino County.

RATES

Quantity Rates:

| | | |
|--|----------|-----|
| For the first 14 Ccf of water used, per 100 cu. ft. | \$3.9812 | (I) |
| For all Ccf greater than 14 Ccf, per 100 cu. ft. | \$4.5243 | (I) |

| | | |
|-------------------------------|------------------|-----|
| Service Charges: | Per Meter | |
| | <u>Per Month</u> | |
| For 5/8 x 3/4-inch meter..... | \$ 20.61 | (I) |
| For 3/4-inch meter..... | 30.89 | |
| For 1-inch meter..... | 51.49 | |
| For 1-1/2-inch meter | 102.96 | |
| For 2-inch meter..... | 164.73 | |
| For 3-inch meter..... | 308.91 | (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. FO-AS.

(To be inserted by utility)

Issued by

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

Advice Letter No. 579

J. M. Reiker

Date Filed _____

Decision No. _____

NAME

Effective _____

Vice President of Regulatory Affairs

TITLE

Resolution No. _____

SCHEDULE NO. FO-4
Fontana Water Company
PRIVATE FIRE SERVICE

APPLICABILITY

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

TERRITORY

Portions of Fontana, Rancho Cucamonga, Rialto and vicinity, San Bernardino County.

RATE

Per Service
Per Month

For each inch of diameter of service connection \$13.81 (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. 579

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. 3220-W
Cal. P.U.C. Sheet No. 3180-W

SCHEDULE NO. FO-6
Fontana Water Company Tariff Area
RECYCLED WATER METERED SERVICE

APPLICABILITY

Applicable to all recycled water metered service.

TERRITORY

Portions of Fontana, Rancho Cucamonga, Rialto, and vicinity, San Bernardino County.

RATES

Quantity Rates:

For all water delivered per 100 cu. ft..... \$ 3.1057 (I)

Service Charge:

| | Per Meter Per Month | |
|--------------------------------|------------------------|-----|
| For 5/8 x 3/4-inch meter | \$20.61 | (I) |
| For 3/4-inch meter | 30.89 | |
| For 1-inch meter | 51.49 | |
| For 1-1/2-inch meter | 102.96 | |
| For 2-inch meter | 164.73 | |
| For 3-inch meter | 308.91 | |
| For 4-inch meter | 514.78 | |
| For 6-inch meter | 1,028.00 | |
| For 8-inch meter | 1,651.00 | |
| For 10-inch meter | 2,362.00 | |
| For 12-inch meter | 3,402.00 | (I) |

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 579

J. M. Reiker
NAME

Date Filed _____

Decision No. _____

Vice President of Regulatory Affairs
TITLE

Effective _____

Resolution No. _____

SAN GABRIEL VALLEY WATER COMPANY

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3221-W
Cal. P.U.C. Sheet No. 3175-W

SCHEDULE NO. FO-6
Fontana Water Company Tariff Area
RECYCLED WATER METERED SERVICE
(continued)

RATES – (continued)

| | Per Battery <u>Per Month</u> | |
|--|---------------------------------|-----|
| For two 2-inch meters | \$ 329.00 | (I) |
| For three 2-inch meters | 494.00 | |
| For four 2-inch meters..... | 659.00 | |
| For five 2-inch meters | 824.00 | |
| For two 3-inch meters | 619.00 | |
| For three 3-inch meters | 926.00 | |
| For two 4-inch meters | 1,030.00 | |
| For three 4-inch meters | 1,545.00 | |
| For one 8-inch meter, one 2-inch meter | 1,977.00 | |
| For two 8-inch meters | 3,295.00 | (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 75% of the Quantity Rate of Schedule No. FO-1.
2. The customer is responsible for compliance with all local, state, and federal rules and regulations that apply to the use of recycled water on the customer's premises.
3. The utility will supply only such recycled water at such pressure as may be available from time to time from the recycled 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. FO-AS.

(To be inserted by utility)

Issued by

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

Advice Letter No. 579

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. 3222-W
Cal. P.U.C. Sheet No. 3181-W

PRELIMINARY STATEMENT
(Continued)

H2. Water Revenue Adjustment Mechanism (WRAM) Memorandum Account for the Fontana Water Company Division

1. Purpose: The purpose of this memorandum account is to track the Quantity Rate revenues collected under Schedule FO-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 Fontana Water Company division:
 - a. The recorded revenues collected through the tiered Quantity Rate under Schedule No. FO-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>0-14 Ccf/mo. Tier 1 Rate</u> | <u>Over 14 Ccf/mo. Tier 2 Rate</u> |
|-----------------------|--------------------------|-------------------------------------|--|
| July 1, 2020 | \$3.4331 | \$3.2881 | \$3.7813 |
| August 19, 2020 | \$3.5200 | \$3.3750 | \$3.8682 |
| January 1, 2021 | \$3.5705 | \$3.4255 | \$3.9187 |
| July 1, 2021 | \$3.8330 | \$3.6773 | \$4.2068 |
| January 1, 2022 | \$3.9551 | \$3.7994 | \$4.3289 |
| January 1, 2022 | \$3.9611 | \$3.8051 | \$4.3354 |
| January 1, 2022 | \$4.0431 | \$3.8871 | \$4.4174 |
| July 1, 2022 | \$4.1410 | \$3.9812 | \$4.5243 |

(1)

- 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)
Advice Letter No. 579
Decision No. _____

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

(To be inserted by Cal. P.U.C.)
Date Filed _____
Effective _____
Resolution No. _____

SAN GABRIEL VALLEY WATER COMPANY

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3223-W _____

Cal. P.U.C. Sheet No. 3215-W _____

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 | 3223-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, 3222-W, 2782-W, 2783-W, 2395-W, 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 (T) |
| 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>Schedule Number</u> |
| <u>Rate Schedules</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 3216-W, 3217-W (T) |
| General Metered Service - Conservation | FO-1C 3218-W (T) |
| Private Fire Service | FO-4 3219-W, 1087-W, 1476-W (T) |
| Recycled Water Metered Service | FO-6 3220-W, 3221-W (T) |
| 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. 579 _____

J. M. Reiker _____

Date Filed _____

Decision No. _____

NAME

Effective _____

Vice President of Regulatory Affairs _____

TITLE

Resolution No. _____

AL 579
WORKPAPERS

WORKPAPER INDEX

| | <u>Page</u> |
|---|-------------|
| <u>ESCALATION YEAR INCREASE CALCULATION</u> | |
| Escalation Factors | 1 |
| Summary of Earnings | 2 |
| Income Tax Calculation | 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 B, Page 1 (Summary of Earnings) | 26 |
| D.20-08-006 (A.19-01-001) Appendix B, Page 4 (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 FRV2 | 30 |
| D.20-08-006 (A.19-01-001) Settlement Workpaper FRV5 | 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 569 Workpaper, Pg. 4 (Purchased Power Summary) | 38 |
| Advice Letter 572-A Workpaper, Pg. 3 (Water Cost Summary) | 39 |
| Advice Letter 572-A Workpaper, P. 4 (Summary of Earnings) | 40 |
| Recorded Quantities (Raw Data) | 41 - 46 |
| Non-Potable and Recycled Contract Rates | 47 |
| Consumer Price Index Data | 48 - 49 |
| Cal Advocates Escalation Factor Memos | 50 - 52 |
| Recorded Summary of Earnings | 53 |

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 Escalation Factors
 (\$000)

| Category | Adopted Quantities (D.20-08-006) | Escalation | |
|--|--|------------|--------|
| | | Rate | Factor |
| Total Customers - E.Y. 2021-2022 | 47,542 | | |
| Total Customers - E.Y. 2022-2023 | 47,920 | 0.80% | 1.0080 |
| Total Sales (Ccf) - E.Y. 2021-2022 | 15,916,379 | 30 0.41% | 1.0041 |
| Total Sales (Ccf) - E.Y. 2022-2023 | 15,982,178 | | |
| B.O.Y. Utility Plant - E.Y. 2021-2022 | \$461,713.6 | | |
| B.O.Y. Utility Plant - E.Y. 2022-2023 | \$486,442.1 | 37 5.36% | 1.0536 |
| Average Utility Plant - E.Y. 2021-2022 | \$473,962.6 | | |
| Average Utility Plant - E.Y. 2022-2023 | \$498,921.6 | 5.27% | 1.0527 |
| Labor | | 50 5.75% | 1.0575 |
| Non-Labor | | 1.50% | 1.0150 |
| Composite Non-Labor | | 3.20% | 1.0320 |
| Compensation/hr. | | 52 5.20% | 1.0520 |
| CPI-U | | 49 8.26% | 1.0826 |
| Composite Non-Labor + Cust. Growth | $0.8\% + 3.2\%$ | 4.00% | 1.0400 |
| Labor + Cust. Growth | $0.8\% + 5.75\%$ | 6.55% | 1.0655 |
| CPI-U + Cust. Growth | $0.8\% + 8.26\%$ | 9.05% | 1.0905 |

SAN GABRIEL VALLEY WATER COMPANY
Fontana Water Company Division
Advice Letter 579
Summary of Earnings
(\$000)

| | <u>40</u> | | Escalation <u>1</u> | | Proposed - Esc. Year 2022-2023 |
|------------------------------------|----------------------------------|------------------------------------|---------------------|-----------------------|--------------------------------------|
| | Current Adopted - AL 572-A | Basis | Rate / Factor | Increase \$ % | |
| Operating Revenues | \$88,317.8 | Calculated | | <u>\$3,298.2</u> 3.7% | \$91,616.0 |
| Operating Expenses | | | | | |
| Purchased Water & Assessments | \$26,591.4 | Sales Growth | 1.0041 | \$109.9 | \$26,701.3 |
| Purchased Power | \$6,576.7 | Sales Growth | 1.0041 | \$27.2 | \$6,603.9 |
| Chemicals | \$753.9 | Composite Non-Labor + Cust. Growth | 1.0400 | \$30.1 | \$784.0 |
| Payroll | \$6,522.8 | Labor + Cust. Growth | 1.0655 | \$426.9 | \$6,949.7 |
| Materials & Supplies | \$1,088.1 | Composite Non-Labor + Cust. Growth | 1.0400 | \$43.5 | \$1,131.6 |
| Transportation | \$913.7 | Composite Non-Labor + Cust. Growth | 1.0400 | \$36.5 | \$950.2 |
| Insurance | \$1,337.5 | Composite Non-Labor + Cust. Growth | 1.0400 | \$53.4 | \$1,390.9 |
| Pensions & Benefits | \$2,994.7 | Labor + Cust. Growth | 1.0655 | \$196.0 | \$3,190.7 |
| Uncollectibles | \$168.5 | Calculated | <u>29</u> 0.1918% | \$6.3 | \$174.8 |
| Franchise Fees | \$569.4 | Calculated | 0.6483% | \$21.4 | \$590.8 |
| Regulatory Commission Expense | \$437.0 | Composite Non-Labor + Cust. Growth | 1.0400 | \$17.5 | \$454.4 |
| Outside Services | \$1,367.6 | CPI-U + Cust. Growth | 1.0905 | \$123.8 | \$1,491.4 |
| Utilities & Rents | \$125.0 | Composite Non-Labor + Cust. Growth | 1.0400 | \$5.0 | \$130.0 |
| Miscellaneous Expense | \$671.1 | Composite Non-Labor + Cust. Growth | 1.0400 | \$26.8 | \$697.9 |
| Administrative Expense Transferred | <u>(\$2,032.2)</u> | Composite Non-Labor + Cust. Growth | 1.0400 | <u>(\$81.2)</u> | <u>(\$2,113.3)</u> |
| Subtotal | \$48,085.3 | | | \$1,043.2 | \$49,128.5 |
| Allocated Common Expenses | \$6,820.1 | Composite Non-Labor + Cust. Growth | 1.0400 | \$272.5 | \$7,092.6 |
| Total Operating Expense | \$54,905.4 | | | \$1,315.6 | \$56,221.1 |
| Depreciation | \$9,072.8 | Average Plant | 1.0527 | \$477.8 | <u>\$9,550.6</u> |
| Ad Valorem Taxes | \$2,139.0 | B.O.Y. Plant | 1.0536 | \$114.6 | \$2,253.5 |
| Payroll Taxes | \$905.1 | Labor + Cust. Growth | 1.0655 | \$59.2 | \$964.3 |
| Total Expense before Income Taxes | \$67,022.3 | | | \$1,967.2 | <u>\$68,989.5</u> |
| Net Revenue Before Income Taxes | \$21,295.5 | | | | \$22,626.5 |
| State Income Tax | \$781.0 | Calculated | | | \$707.6 <u>3</u> |
| Federal Income Tax | \$3,570.0 | Calculated | | | <u>\$3,720.8</u> |
| Total Expenses | <u>\$71,373.3</u> | | | | <u>\$73,417.9</u> |
| Net Operating Revenues | \$16,944.5 | | | | \$18,198.1 |
| Rate Base | \$208,798.0 | Adopted | | | <u>\$224,244.1</u> <u>27</u> |
| Rate of Return | 8.12% | | | | 8.12% |

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 Income Taxes
 (\$000)

| | (36) Test Year 2020-2021 <u>D.20-08-006</u> | Esc. Year 2022-2023 |
|---|--|---|
| Operating Revenues | \$77,593.6 | \$91,616.0 (2) |
| Deductions | | |
| Operating Expenses, excluding Depreciation & Income Taxes | \$51,745.5 | \$59,438.9 (2) |
| Interest Expense | \$4,309.5 | \$4,910.9 (2.19% x \$224,244.1 = \$4,910.9) |
| Subtotal | <u>\$56,055.0</u> | <u>\$64,349.9</u> (29) (2) |
| State Tax Calculation | | |
| Taxable Income Before Deductions | \$21,538.6 | \$27,266.1 |
| Less: Depreciation-State | \$14,228.1 | \$18,805.5 (36) |
| Less: Repair Regulations Deduction | \$1,512.5 | \$1,644.9 (36) |
| State Taxable Income | <u>\$5,798.1</u> | <u>\$6,815.7</u> |
| State Corporate Franchise Tax at 8.84% (36) | \$512.5 | \$602.5 |
| Amortization of CIAC Tax | \$104.4 | \$105.1 (26) |
| Total State Income Tax Expense | <u>\$617.0</u> | <u>\$707.6</u> |
| Federal Tax Calculation | | |
| Taxable Income Before Deductions | \$21,538.6 | \$27,266.1 |
| Less: Depreciation-Federal (book) | \$8,686.4 | \$9,833.6 (36) |
| Less: State Corp. Franchise Tax - Prior Yr. | \$631.0 | \$797.7 (36) |
| Federal Taxable Income | <u>\$12,221.2</u> | <u>\$16,634.8</u> |
| Federal Tax at 21.00% (36) | \$2,566.5 | \$3,493.3 |
| Amortization of CIAC Tax | \$226.1 | \$227.5 (36) |
| Amortization of EDIT | (\$256.5) | (\$256.5) (36) |
| Amortization of EDIT (Jan. 2018 - Jun. 2020) | (\$1,959.2) | \$0.0 |
| Total Federal Income Tax Expense | <u>\$576.9</u> | <u>\$3,720.8</u> |

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 Rate Design

Calculation of Required Revenue Increase

| | |
|--|--------------------|
| Revenues at Present Rates | \$89,236,330 (6) |
| Revenues Not Subject to Escalation Increase: | |
| Recycled Contract Quantity Rate | (\$513,092) (7) |
| Miscellaneous Revenues | (\$477,176) (6) |
| Revenues Subject to Rate Change | \$88,246,062 |
| Escalation Year Increase | \$3,298,199 (2) |
| Earnings Test Adjustment | (\$1,162,407) (17) |
| Proposed Revenue Increase | \$2,135,792 |
| % Change to Rates | 2.4% |

Quantity Rates

| | Present AL 572-A | Proposed AL 579 |
|---|---------------------|--------------------|
| Schedule FO-1 | (19) \$4.0431 | \$4.1410 |
| FO-1C Tier 1 (0 - 14 Ccf) | (21) \$3.8871 | \$3.9812 |
| FO-1C Tier 2 (Greater than 14 Ccf) (21) | \$4.4174 | \$4.5243 |
| Schedule FO-6 | (23) \$3.0323 | \$3.1057 |
| CEMEX USA - Contract | (47) \$1.9875 | \$2.0356 |
| Recycled - Contract | \$1.8480 | \$1.8480 |

Monthly Service Charges

| | Present AL 572-A | Proposed AL 579 |
|--|---------------------|--------------------|
| ¼ x ¾-inch meter | \$20.12 | \$20.61 |
| ¾-inch meter | \$30.16 | \$30.89 |
| 1-inch meter | \$50.27 | \$51.49 |
| 1½-inch meter | \$100.53 | \$102.96 |
| 2-inch meter | \$160.84 | \$164.73 |
| 3-inch meter | (19) \$301.61 | \$308.91 |
| 4-inch meter | \$502.62 | \$514.78 |
| 6-inch meter | \$1,003.51 | \$1,028.00 |
| 8-inch meter | \$1,612.43 | \$1,651.00 |
| 10-inch meter | \$2,306.48 | \$2,362.00 |
| 12-inch meter | \$3,322.01 | \$3,402.00 |
| 2 2-inch meters | \$321.49 | \$329.00 |
| 3 2-inch meters | \$482.73 | \$494.00 |
| 4 2-inch meters | \$642.97 | \$659.00 |
| 5 2-inch meters | \$804.21 | \$824.00 |
| 2 3-inch meters | \$603.91 | \$619.00 |
| 3 3-inch meters | (20) \$904.36 | \$926.00 |
| 2 4-inch meters | \$1,005.52 | \$1,030.00 |
| 3 4-inch meters | \$1,508.28 | \$1,545.00 |
| 1 8, 2 2-inch meters | \$1,929.91 | \$1,977.00 |
| 2 8-inch meters | \$3,216.85 | \$3,295.00 |
| Private Fire Service (Sch. FO-4) (rate per inch diameter of service connection) | (22) \$13.48 | \$13.81 |

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 Typical Bill Calculation

Monthly Bill Comparison (non-CARW)

| | Rates | |
|------------------------------------|---------------------|--------------------|
| | Present AL 572-A | Proposed AL 579 |
| <u>Schedule FO-1</u> | | |
| Monthly Service Charge (5/8"x3/4") | (4) \$20.12 | (4) \$20.61 |
| Quantity Rate Per Ccf | (4) \$4.0431 | (4) \$4.1410 |
| <u>Schedule FO-AS</u> | | |
| CARW Funding Surcharge Per Ccf | (25) \$0.2389 | (25) \$0.2389 |
| Total Bill | | |

| Typical Monthly Usage (Ccf) | Monthly Bill (15 Ccf) | | Increase / (Decrease) | |
|-----------------------------------|-----------------------|----------|--------------------------|------|
| | Present | Proposed | \$ | % |
| | AL 572-A | AL 579 | | |
| 15 | \$60.65 | \$62.12 | | |
| 15 | \$3.58 | \$3.58 | | |
| | \$84.35 | \$86.31 | \$1.96 | 2.3% |

| | Rates | |
|--|---------------------|--------------------|
| | Present AL 572-A | Proposed AL 579 |
| <u>Schedule FO-1C</u> | | |
| Monthly Service Charge (5/8"x3/4") | (4) \$20.12 | (4) \$20.61 |
| Tier 1 Quantity Rate Per Ccf (0 - 14 Ccf) | (4) \$3.8871 | (4) \$3.9812 |
| Tier 2 Quantity Rate Per Ccf (Greater than 14 Ccf) | (4) \$4.4174 | (4) \$4.5243 |
| <u>Schedule FO-AS</u> | | |
| CARW Funding Surcharge Per Ccf | (25) \$0.2389 | (25) \$0.2389 |
| Total Bill | | |

| Typical Monthly Usage (Ccf) | Monthly Bill (15 Ccf) | | Increase / (Decrease) | |
|-----------------------------------|-----------------------|----------|--------------------------|------|
| | Present | Proposed | \$ | % |
| | AL 572-A | AL 579 | | |
| 14 | \$54.42 | \$55.74 | | |
| 1 | \$4.42 | \$4.52 | | |
| 15 | \$3.58 | \$3.58 | | |
| | \$82.54 | \$84.45 | \$1.91 | 2.3% |

Revenues

| Customer Class | Present Rates | | | Proposed Rates | | |
|------------------------------------|---------------|---------------|--------------|----------------|---------------|--------------|
| | Service Chrg. | Quantity Rate | Total | Service Chrg. | Quantity Rate | Total |
| Residential - Single Family | \$17,544,179 | \$31,855,442 | \$49,399,620 | \$17,970,440 | \$32,626,520 | \$50,596,960 |
| Residential - Multi-Family - Small | \$562,616 | \$1,953,100 | \$2,515,717 | \$576,241 | \$2,000,393 | \$2,576,634 |
| Residential - Multi-Family - Large | \$845,399 | \$4,001,408 | \$4,846,807 | \$865,668 | \$4,098,298 | \$4,963,966 |
| Commercial - Small | \$2,345,093 | \$5,533,338 | \$7,878,431 | \$2,401,763 | \$5,667,323 | \$8,069,085 |
| Commercial - Large | \$795,300 | \$5,128,054 | \$5,923,354 | \$814,457 | \$5,252,225 | \$6,066,682 |
| Industrial - Small | \$36,433 | \$80,320 | \$116,753 | \$37,314 | \$82,265 | \$119,580 |
| Industrial - Large | \$86,356 | \$1,261,726 | \$1,348,082 | \$88,430 | \$1,292,278 | \$1,380,708 |
| Niagara Bottling | \$35,393 | \$5,253,499 | \$5,288,892 | \$36,252 | \$5,380,708 | \$5,416,960 |
| California Steel Industries | \$86,891 | \$362,149 | \$449,040 | \$88,980 | \$370,918 | \$459,898 |
| Cemex USA | \$27,678 | \$873,024 | \$900,701 | \$28,344 | \$894,161 | \$922,505 |
| Public Authority - Small | \$452,849 | \$965,715 | \$1,418,564 | \$463,778 | \$989,099 | \$1,452,876 |
| Public Authority - Large | \$616,092 | \$4,499,800 | \$5,115,892 | \$630,829 | \$4,608,759 | \$5,239,588 |
| Construction | \$0 | \$865,984 | \$865,984 | \$0 | \$886,953 | \$886,953 |
| Recycled Water | \$225,203 | \$1,006,907 | \$1,232,109 | \$230,615 | \$1,018,860 | \$1,249,475 |
| Private Fire Protection | \$1,459,208 | \$0 | \$1,459,208 | \$1,494,930 | \$0 | \$1,494,930 |
| Subtotal | \$25,118,690 | \$63,640,464 | \$88,759,154 | \$25,728,042 | \$65,168,757 | \$90,896,800 |
| Rent from Water Property (612) | | \$627 | \$627 | | \$627 | \$627 |
| Misc. Revenues (611 and 614) | | \$476,549 | \$476,549 | | \$476,549 | \$476,549 |
| Total Revenues | | | \$89,236,330 | | | \$91,373,976 |
| Increase | | | | | | \$2,137,646 |
| % Increase | | | | | | 2.4% |

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 Quantity Rate Revenues at Present and Proposed Rates

| Customer Class | Adopted | Quantity Rates (\$/Ccf) | | Quantity Rate Revenues | |
|------------------------------------|------------------------|-------------------------|----------|------------------------|--------------|
| | Sales (Ccf) | Present | Proposed | Present | Proposed |
| | Esc. Year 2022-2023 | | | | |
| Residential - Single Family Tier 1 | 5,562,676 | \$3.8871 | \$3.9812 | \$21,622,676 | \$22,146,124 |
| Residential - Single Family Tier 2 | 2,316,468 | \$4.4174 | \$4.5243 | \$10,232,766 | \$10,480,396 |
| Residential - Single Family Total | 7,879,144 | | | \$31,855,442 | \$32,626,520 |
| Residential - Multi-Family - Small | 483,070 | \$4.0431 | \$4.1410 | \$1,953,100 | \$2,000,393 |
| Residential - Multi-Family - Large | 989,688 | \$4.0431 | \$4.1410 | \$4,001,408 | \$4,098,298 |
| Commercial - Small | 1,368,588 | \$4.0431 | \$4.1410 | \$5,533,338 | \$5,667,323 |
| Commercial - Large | 1,268,347 | \$4.0431 | \$4.1410 | \$5,128,054 | \$5,252,225 |
| Industrial - Small | 19,866 | \$4.0431 | \$4.1410 | \$80,320 | \$82,265 |
| Industrial - Large | 312,069 | \$4.0431 | \$4.1410 | \$1,261,726 | \$1,292,278 |
| Niagara Bottling | 1,299,374 | \$4.0431 | \$4.1410 | \$5,253,499 | \$5,380,708 |
| California Steel Industries | 89,572 | \$4.0431 | \$4.1410 | \$362,149 | \$370,918 |
| CEMEX USA - contract | 98,406 | \$1.9875 | \$2.0356 | \$195,582 | \$200,315 |
| CEMEX USA - tariff | 167,555 | \$4.0431 | \$4.1410 | \$677,442 | \$693,845 |
| Public Authority - Small | 238,855 | \$4.0431 | \$4.1410 | \$965,715 | \$989,099 |
| Public Authority - Large | 1,112,958 | \$4.0431 | \$4.1410 | \$4,499,800 | \$4,608,759 |
| Construction | 214,188 | \$4.0431 | \$4.1410 | \$865,984 | \$886,953 |
| Recycled - tariff | 162,852 | \$3.0323 | \$3.1057 | \$493,815 | \$505,768 |
| Recycled - contract | 277,647 | \$1.8480 | \$1.8480 | \$513,092 | \$513,092 |
| Total | 15,982,178 | | | \$63,640,464 | \$65,168,757 |
| Increase | | | | | \$1,528,293 |
| % Increase | | | | | 2.4% |

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 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 | | | | | |
| ¾ x ¾-inch meter | 23,690 | \$20.12 | \$20.61 | \$5,719,714 | \$5,859,011 |
| ¾-inch meter | 54 | \$30.16 | \$30.89 | \$19,544 | \$20,017 |
| 1-inch meter | 19,534 | \$50.27 | \$51.49 | \$11,783,690 | \$12,069,668 |
| 1½-inch meter | 8 | \$100.53 | \$102.96 | \$9,651 | \$9,884 |
| 2-inch meter | 6 | \$160.84 | \$164.73 | \$11,580 | \$11,861 |
| Totals | 43,292 | | | \$17,544,179 | \$17,970,440 |
| Residential - Multi-Family - Small | | | | | |
| ¾ x ¾-inch meter | 496 | \$20.12 | \$20.61 | \$119,754 | \$122,671 |
| ¾-inch meter | 5 | \$30.16 | \$30.89 | \$1,810 | \$1,853 |
| 1-inch meter | 224 | \$50.27 | \$51.49 | \$135,126 | \$138,405 |
| 1½-inch meter | 163 | \$100.53 | \$102.96 | \$196,637 | \$201,390 |
| 2-inch meter | 44 | \$160.84 | \$164.73 | \$84,924 | \$86,977 |
| 3-inch meter | 3 | \$301.61 | \$308.91 | \$10,858 | \$11,121 |
| 2 2-inch meters | 2 | \$321.49 | \$329.00 | \$7,716 | \$7,896 |
| 3 2-inch meters | 1 | \$482.73 | \$494.00 | \$5,793 | \$5,928 |
| Totals | 938 | | | \$562,616 | \$576,241 |
| Residential - Multi-Family - Large | | | | | |
| 1½-inch meter | 17 | \$100.53 | \$102.96 | \$20,508 | \$21,004 |
| 2-inch meter | 45 | \$160.84 | \$164.73 | \$86,854 | \$88,954 |
| 3-inch meter | 2 | \$301.61 | \$308.91 | \$7,239 | \$7,414 |
| 6-inch meter | 12 | \$1,003.51 | \$1,028.00 | \$144,505 | \$148,032 |
| 8-inch meter | 17 | \$1,612.43 | \$1,651.00 | \$328,936 | \$336,804 |
| 10-inch meter | 4 | \$2,306.48 | \$2,362.00 | \$110,711 | \$113,376 |
| 2 2-inch meters | 24 | \$321.49 | \$329.00 | \$92,589 | \$94,752 |
| 3 2-inch meters | 8 | \$482.73 | \$494.00 | \$46,342 | \$47,424 |
| 4 2-inch meters | 1 | \$642.97 | \$659.00 | \$7,716 | \$7,908 |
| Totals | 130 | | | \$845,399 | \$865,668 |
| Commercial - Small | | | | | |
| ¾ x ¾-inch meter | 805 | \$20.12 | \$20.61 | \$194,359 | \$199,093 |
| ¾-inch meter | 12 | \$30.16 | \$30.89 | \$4,343 | \$4,448 |
| 1-inch meter | 575 | \$50.27 | \$51.49 | \$346,863 | \$355,281 |
| 1½-inch meter | 420 | \$100.53 | \$102.96 | \$506,671 | \$518,918 |
| 2-inch meter | 573 | \$160.84 | \$164.73 | \$1,105,936 | \$1,132,683 |
| 3-inch meter | 1 | \$301.61 | \$308.91 | \$3,619 | \$3,707 |
| 6-inch meter | 3 | \$1,003.51 | \$1,028.00 | \$36,126 | \$37,008 |
| 2 2-inch meters | 14 | \$321.49 | \$329.00 | \$54,010 | \$55,272 |
| 3 2-inch meters | 14 | \$482.73 | \$494.00 | \$81,099 | \$82,992 |
| 2 4-inch meters | 1 | \$1,005.52 | \$1,030.00 | \$12,066 | \$12,360 |
| Totals | 2,418 | | | \$2,345,093 | \$2,401,763 |

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 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 | | | | | |
| 3/4 x 3/4-inch meter | 2 | \$20.12 | \$20.61 | \$483 | \$495 |
| 3/4-inch meter | 1 | \$30.16 | \$30.89 | \$362 | \$371 |
| 1-inch meter | 16 | \$50.27 | \$51.49 | \$9,652 | \$9,886 |
| 1 1/2-inch meter | 66 | \$100.53 | \$102.96 | \$79,620 | \$81,544 |
| 2-inch meter | 240 | \$160.84 | \$164.73 | \$463,219 | \$474,422 |
| 3-inch meter | 1 | \$301.61 | \$308.91 | \$3,619 | \$3,707 |
| 6-inch meter | 1 | \$1,003.51 | \$1,028.00 | \$12,042 | \$12,336 |
| 10-inch meter | 3 | \$2,306.48 | \$2,362.00 | \$83,033 | \$85,032 |
| 2 2-inch meters | 19 | \$321.49 | \$329.00 | \$73,300 | \$75,012 |
| 3 2-inch meters | 6 | \$482.73 | \$494.00 | \$34,757 | \$35,568 |
| 4 2-inch meters | 3 | \$642.97 | \$659.00 | \$23,147 | \$23,724 |
| 2 4-inch meters | 1 | \$1,005.52 | \$1,030.00 | \$12,066 | \$12,360 |
| Totals | 359 | | | \$795,300 | \$814,457 |
| Industrial - Small | | | | | |
| 3/4 x 3/4-inch meter | 10 | \$20.12 | \$20.61 | \$2,414 | \$2,473 |
| 1-inch meter | 4 | \$50.27 | \$51.49 | \$2,413 | \$2,472 |
| 1 1/2-inch meter | 7 | \$100.53 | \$102.96 | \$8,445 | \$8,649 |
| 2-inch meter | 12 | \$160.84 | \$164.73 | \$23,161 | \$23,721 |
| Totals | 33 | | | \$36,433 | \$37,314 |
| Industrial - Large | | | | | |
| 1 1/2-inch meter | 3 | \$100.53 | \$102.96 | \$3,619 | \$3,707 |
| 2-inch meter | 17 | \$160.84 | \$164.73 | \$32,811 | \$33,605 |
| 3-inch meter | 1 | \$301.61 | \$308.91 | \$3,619 | \$3,707 |
| 6-inch meter | 1 | \$1,003.51 | \$1,028.00 | \$12,042 | \$12,336 |
| 10-inch meter | 0 | \$2,306.48 | \$2,362.00 | \$0 | \$0 |
| 12-inch meter | 0 | \$3,322.01 | \$3,402.00 | \$0 | \$0 |
| 2 2-inch meters | 4 | \$321.49 | \$329.00 | \$15,432 | \$15,792 |
| 3 2-inch meters | 2 | \$482.73 | \$494.00 | \$11,586 | \$11,856 |
| 4 2-inch meters | 0 | \$642.97 | \$659.00 | \$0 | \$0 |
| 2 3-inch meters | 1 | \$603.91 | \$619.00 | \$7,247 | \$7,428 |
| Totals | 29 | | | \$86,356 | \$88,430 |
| Recycled Water | | | | | |
| 1-inch meter | 1 | \$50.27 | \$51.49 | \$603 | \$618 |
| 1 1/2-inch meter | 9 | \$100.53 | \$102.96 | \$10,857 | \$11,120 |
| 2-inch meter | 63 | \$160.84 | \$164.73 | \$121,595 | \$124,536 |
| 3-inch meter | 2 | \$301.61 | \$308.91 | \$7,239 | \$7,414 |
| 2 2-inch meters | 9 | \$321.49 | \$329.00 | \$34,721 | \$35,532 |
| 3 2-inch meters | 4 | \$482.73 | \$494.00 | \$23,171 | \$23,712 |
| 4 2-inch meters | 1 | \$642.97 | \$659.00 | \$7,716 | \$7,908 |
| 5 2-inch meters | 2 | \$804.21 | \$824.00 | \$19,301 | \$19,776 |
| Totals | 91 | | | \$225,203 | \$230,615 |

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 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 - Small | | | | | |
| ½ x ¾-inch meter | 16 | \$20.12 | \$20.61 | \$3,863 | \$3,957 |
| ¾-inch meter | 3 | \$30.16 | \$30.89 | \$1,086 | \$1,112 |
| 1-inch meter | 89 | \$50.27 | \$51.49 | \$53,688 | \$54,991 |
| 1½-inch meter | 92 | \$100.53 | \$102.96 | \$110,985 | \$113,668 |
| 2-inch meter | 126 | \$160.84 | \$164.73 | \$243,190 | \$249,072 |
| 3-inch meter | 2 | \$301.61 | \$308.91 | \$7,239 | \$7,414 |
| 2 2-inch meters | 7 | \$321.49 | \$329.00 | \$27,005 | \$27,636 |
| 3 2-inch meters | 1 | \$482.73 | \$494.00 | \$5,793 | \$5,928 |
| Totals | 336 | | | \$452,849 | \$463,778 |
| Public Authority - Large | | | | | |
| ½ x ¾-inch meter | 2 | \$20.12 | \$20.61 | \$483 | \$495 |
| 1-inch meter | 2 | \$50.27 | \$51.49 | \$1,206 | \$1,236 |
| 1½-inch meter | 12 | \$100.53 | \$102.96 | \$14,476 | \$14,826 |
| 2-inch meter | 149 | \$160.84 | \$164.73 | \$287,582 | \$294,537 |
| 3-inch meter | 2 | \$301.61 | \$308.91 | \$7,239 | \$7,414 |
| 4-inch meter | 1 | \$502.62 | \$514.78 | \$6,031 | \$6,177 |
| 2 2-inch meters | 41 | \$321.49 | \$329.00 | \$158,173 | \$161,868 |
| 3 2-inch meters | 15 | \$482.73 | \$494.00 | \$86,891 | \$88,920 |
| 4 2-inch meters | 7 | \$642.97 | \$659.00 | \$54,009 | \$55,356 |
| Totals | 231 | | | \$616,092 | \$630,829 |
| California Steel Industries | | | | | |
| 10-inch meter | 3 | \$2,306.48 | \$2,362.00 | \$83,033 | \$85,032 |
| 2 2-inch meters | 1 | \$321.49 | \$329.00 | \$3,858 | \$3,948 |
| Totals | 4 | | | \$86,891 | \$88,980 |
| Niagara Bottling | | | | | |
| 10-inch meter | 1 | \$2,306.48 | \$2,362.00 | \$27,678 | \$28,344 |
| 4 2-inch meters | 1 | \$642.97 | \$659.00 | \$7,716 | \$7,908 |
| Totals | 2 | | | \$35,393 | \$36,252 |
| CEMEX USA | | | | | |
| 10-inch meter | 1 | \$2,306.48 | \$2,362.00 | \$27,678 | \$28,344 |
| Totals | 1 | | | \$27,678 | \$28,344 |
| Private Fire Protection | | | | | |
| Avg. Fire Svc. Diameter: 7.79" | 1,158 | \$13.48 | \$13.81 | \$1,459,208 | \$1,494,930 |
| Totals | 1,158 | | | \$1,459,208 | \$1,494,930 |
| Grand Totals | 49,022 | | | \$25,118,690 | \$25,728,042 |
| Increase | | | | | \$609,353 |
| % Increase | | | | | 2.4% |

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 Pro Forma Earnings Test Calculation
 (\$000)

| | (40) Current Adopted - AL 572-A | (53) Recorded - 12 Months Mar-22 | Pro Forma |
|------------------------------------|--|---|-----------------|
| Operating Revenues | \$88,317.8 | \$91,061.8 | \$88,647.7 (12) |
| Operating Expenses | | | |
| Purchased Water & Assessments | \$26,591.4 | \$23,237.9 | \$26,651.7 (14) |
| Purchased Power | \$6,576.7 | \$6,182.6 | \$6,588.0 (15) |
| Chemicals | \$753.9 | \$683.2 | \$757.7 |
| Payroll | \$6,522.8 | \$7,059.8 | \$6,522.8 |
| Materials & Supplies | \$1,088.1 | \$1,301.8 | \$1,088.1 |
| Transportation | \$913.7 | \$1,026.4 | \$913.7 |
| Insurance | \$1,337.5 | \$1,249.7 | \$1,337.5 |
| Pensions & Benefits | \$2,994.7 | \$3,283.7 | \$2,994.7 |
| Uncollectibles | \$168.5 | \$75.0 | \$169.1 (15) |
| Franchise Fees | \$569.4 | \$564.2 | \$571.6 |
| Regulatory Commission Expense | \$437.0 | \$129.3 | \$437.0 |
| Outside Services | \$1,367.6 | \$2,114.4 | \$1,367.6 |
| Utilities & Rents | \$125.0 | \$169.2 | \$125.0 |
| Miscellaneous Expense | \$671.1 | \$776.7 | \$671.1 |
| Administrative Expense Transferred | (\$2,032.2) | (\$3,013.5) | (\$2,032.2) |
| Subtotal | \$48,085.3 | \$44,840.6 | \$48,163.4 |
| Allocated Common Expenses | \$6,820.1 | \$5,857.5 | \$6,820.1 |
| Total Operating Expense | \$54,905.4 | \$50,698.0 | \$54,983.6 |
| Depreciation | \$9,072.8 | \$9,185.1 | \$9,185.1 |
| Ad Valorem Taxes | \$2,139.0 | \$1,906.4 | \$1,906.4 |
| Payroll Taxes | \$905.1 | \$862.2 | \$905.1 |
| Total Expense before Income Taxes | \$67,022.3 | \$62,651.7 | \$66,980.2 |
| Net Revenue Before Income Taxes | \$21,295.5 | \$28,410.0 | \$21,667.5 |
| State Income Tax | \$781.0 | \$627.2 | \$627.9 |
| Federal Income Tax | \$3,570.0 | \$870.1 | \$3,274.9 |
| Total Expenses | \$71,373.3 | \$64,149.0 | \$70,882.9 |
| Net Operating Revenues | \$16,944.5 | \$26,912.7 | \$17,764.8 |
| Rate Base | \$208,798.0 | \$204,964.5 | \$204,964.5 |
| Rate of Return | 8.12% | 13.13% | 8.67% |
| Rate of Return - Adjusted Adopted | (17) 8.26% | | |

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 Pro Forma Metered Revenue and Normalized Production

| | Adopted | | | | 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 | 70.6% | | | | \$3.8871 | 5,474,744 | \$21,280,879 |
| Residential - Single Family Tier 2 | 29.4% | | | | \$4.4174 | 2,279,851 | \$10,071,014 |
| Residential - Single Family Total | | | 182 | 42,608 | | 7,754,595 | \$31,351,893 |
| Residential - Multi-Family - Small | | | 515 | 956 | \$4.0431 | 492,125 | \$1,989,712 |
| Residential - Multi-Family - Large | | | 7,672 | 132 | \$4.0431 | 1,012,704 | \$4,094,464 |
| Commercial - Small | | | 566 | 2,420 | \$4.0431 | 1,369,579 | \$5,537,343 |
| Commercial - Large | | | 3,533 | 368 | \$4.0431 | 1,300,144 | \$5,256,612 |
| Industrial - Small | | | | 19,866 | \$4.0431 | 19,866 | \$80,320 |
| Industrial - Large | | | | 312,069 | \$4.0431 | 312,069 | \$1,261,726 |
| Niagara Bottling | | | | 1,299,374 | \$4.0431 | 1,299,374 | \$5,253,499 |
| California Steel Industries | | | | 89,572 | \$4.0431 | 89,572 | \$362,149 |
| Cemex - contract | | | | 98,406 | \$1.9875 | 98,406 | \$195,582 |
| Cemex - tariff | | | | 167,555 | \$4.0431 | 167,555 | \$677,442 |
| Public Authority - Small | | | | 238,855 | \$4.0431 | 238,855 | \$965,715 |
| Public Authority - Large | | | | 1,112,958 | \$4.0431 | 1,112,958 | \$4,499,800 |
| Recycled - Contract Rate | | | | 277,647 | \$1.8480 | 277,647 | \$513,092 |
| Recycled - Tariff Rate | | | | 162,852 | \$3.0323 | 162,852 | \$493,815 |
| Construction | | | | 214,188 | \$4.0431 | 214,188 | \$865,981 |
| Total Sales & Quantity Rate Revenue | | | | | | 15,922,488 | \$63,399,144 |
| Service Charge Revenue - Metered Customers | | | | | n/a | | \$23,329,821 |
| Private Fire Service Revenues | | | | | n/a | | \$1,441,566 |
| Miscellaneous Revenues | | | | | | | \$477,176 |
| Total Sales & Revenues | | | | | | 15,922,488 | \$88,647,707 |
| Water Loss | | | | | | 1,429,576 | |
| Total Production (Ccf) | | | | | | 17,352,064 | |
| Total Production (Acre Feet) | | 8.5% | | | | 39,834.9 | |

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 Pro Forma Monthly Service Charge Revenue

Meter Size

| | Adopted | | Present Monthly Service Charge | Pro Forma | |
|--|----------------------|---|---|----------------------------------|------------------------------|
| | Average Customers | Average Fire Service Diameter (in.) | | Weighted Average Customers | Service Charge Revenue |
| 3/4 x 3/4-inch meter | 25,021 | | \$20.12 | 24,672 | \$5,956,897 |
| 3/4-inch meter | 75 | | \$30.16 | 74 | \$26,766 |
| 1-inch meter | 20,445 | | \$50.27 | 20,160 | \$12,161,396 |
| 1 1/2-inch meter | 797 | | \$100.53 | 786 | \$948,072 |
| 2-inch meter | 1,275 | | \$160.84 | 1,257 | \$2,426,564 |
| 3-inch meter | 14 | | \$301.61 | 14 | \$49,964 |
| 4-inch meter | 1 | | \$502.62 | 1 | \$5,947 |
| 6-inch meter | 17 | | \$1,003.51 | 17 | \$201,864 |
| 8-inch meter | 17 | | \$1,612.43 | 17 | \$324,352 |
| 10-inch meter | 12 | | \$2,306.48 | 12 | \$327,505 |
| 12-inch meter | - | | \$3,322.01 | - | \$0 |
| 2 2-inch meters | 121 | 8 9 10 | \$321.49 | 4 119 | \$460,299 |
| 3 2-inch meters | 51 | | \$482.73 | 50 | \$291,314 |
| 4 2-inch meters | 13 | | \$642.97 | 13 | \$98,906 |
| 5 2-inch meters | 2 | | \$804.21 | 2 | \$19,032 |
| 2 3-inch meters | 1 | | \$603.91 | 1 | \$7,146 |
| 3 3-inch meters | - | | \$904.36 | - | \$0 |
| 2 4-inch meters | 2 | | \$1,005.52 | 2 | \$23,796 |
| 3 4-inch meters | - | | \$1,508.28 | - | \$0 |
| 1 8, 2 2-inch meters | - | | \$1,929.91 | - | \$0 |
| 2 8-inch meters | - | | \$3,216.85 | - | \$0 |
| Total Metered Customers & Service Charge Revenue | 47,864 | | | 47,197 | \$23,329,821 |
| Construction | 58 | 30 | n/a | 18 82 | \$0 |
| Private Fire Service | 1,158 | 35 | 7.79 35 | 1,144 | \$1,441,566 |
| Total Customers & Service Charge Revenue | 49,080 | | | 48,423 | \$24,771,387 |

28

| | Adopted | | | Pro Forma | | |
|--|-------------------------|----------------|-------------|-------------------------|---------------------|------------|
| | Quantity/Basis | | Unit Cost | Quantity/Basis | | Total Cost |
| | Current Production (AF) | Other | | Current Production (AF) | Other | |
| Chino Basin Wells | | | | | | |
| Replenishment Assessment | 9,429.5 | | \$811.00 | 9,626.6 | \$7,807,183 | |
| Administrative Assessment | | 17,626.5 AF | \$22.27 | | \$396,932 | |
| OBMP Assessment | | 17,626.5 AF | \$48.25 | 17,823.6 AF | \$859,989 | |
| Appropriative Pool & 85/15 Assess. | | 17,626.5 AF | \$10.26 | 17,823.6 AF | \$182,870 | |
| Desalter Replenishment Obligation | | 597.0 AF | \$580.00 | 597.0 AF | \$346,260 | |
| Land Use Conversion Assessment | 696.0 | | \$24.71 | 696.0 | \$17,198 | |
| Appropriative Rights | 1.0 | | \$0.00 | 1.0 | \$0 | |
| Leases | 7,500.0 | | \$575.28 | 7,500.0 | \$4,314,600 | |
| Total Chino Basin Wells | 17,626.5 | | | 17,823.6 | \$13,925,032 | |
| Lytile Creek Surface & Groundwater (SBBA) | | | | | | |
| FWC Share | 3,795.0 | | \$0.00 | 3,795.0 | \$0 | |
| CVWD Share | 1,705.0 | | \$575.28 | 1,705.0 | \$980,852 | |
| SBBA Assessment | 0.0 | 5,500 AF | \$0.00 | 0.0 | \$0 | |
| Total Lytle Creek Surface & Groundwater | 5,500.0 | | | 5,500.0 | \$980,852 | |
| Rialto & No-Man's Basin Wells | | | | | | |
| FWC Share | 4,485.0 | | \$0.00 | 4,485.0 | \$0 | |
| CVWD Share | 2,015.0 | | \$575.28 | 2,015.0 | \$1,159,189 | |
| Leases and Assessment(s) | 0.0 | | \$0.00 | 0.0 | \$0 | |
| Total Rialto & No-Man's Basin Wells | 6,500.0 | | | 6,500.0 | \$1,159,189 | |
| Other Sources of Supply | | | | | | |
| SWP Purchases - IEUA | 9,000.0 | | \$799.00 | 9,000.0 | \$7,191,000 | |
| SWP Purchases - SBVMWD | 0.0 | | \$125.80 | 0.0 | \$0 | |
| CVWD Interconnection | 0.0 | | \$515.00 | 0.0 | \$0 | |
| Recycled Water | 1,011.2 | | \$520.00 | 1,011.2 | \$525,848 | |
| Total Purchased Water | 10,011.2 | | | 10,011.2 | \$7,716,848 | |
| Other Charges | | | | | | |
| IEUA Meter Equivalent Unit Rate (MEU) | | 81,314.0 MEUs | \$12.96 | 81,314.0 MEUs | \$1,053,829 | |
| IEUA Readiness to Serve Charge (RTS) | | Monthly | \$34,822.37 | Monthly | \$417,868 | |
| IEUA Monthly Capacity Charge | | Monthly | \$20,638.33 | Monthly | \$247,660 | |
| Water Stock Assessments (shares) | | 6,055.1 Shares | \$190.00 | 6,055.1 Shares | \$1,150,469 | |
| Other Assessment(s) | | 0.0 | \$0.00 | 0.0 | \$0 | |
| Total Other Charges | n/a | | | n/a | \$2,869,827 | |
| Totals | 39,637.8 | | | 39,834.9 | \$26,651,748 | |
| Unit Cost Per Acre-Foot | | | | 12 | \$672.38 | |

39

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 Pro Forma Purchased Power & Chemicals

Pro Forma Purchased Power Expense

| | | |
|--------------------------|------------|------|
| Adopted kWh | 32,622,893 | (38) |
| Adopted Production (Ccf) | 17,266,206 | (30) |
| Adopted kWh/Ccf | 1.89 | |

| | | |
|----------------------------|------------|------|
| Pro Forma Production (Ccf) | 17,352,064 | (12) |
| Pro Forma kWh | 32,785,113 | |

| | | |
|------------------|----------|------|
| Adopted Cost/kWh | \$0.2009 | (38) |
|------------------|----------|------|

| | |
|-----------------------------------|--------------------|
| Pro Forma Purchased Power Expense | <u>\$6,587,972</u> |
|-----------------------------------|--------------------|

Pro Forma Chemicals Expense

| | | |
|--------------------------|------------|------|
| Adopted Chemical Cost | \$753,915 | (40) |
| Adopted Production (Ccf) | 17,266,206 | (30) |
| Adopted \$/Ccf | \$0.04366 | |

| | | |
|----------------------------|------------|------|
| Pro Forma Production (Ccf) | 17,352,064 | (12) |
|----------------------------|------------|------|

| | |
|-----------------------------|------------------|
| Pro Forma Chemicals Expense | <u>\$757,664</u> |
|-----------------------------|------------------|

Pro Forma Uncollectibles Expense

| | | |
|---|--------------|------|
| Pro Forma Operating Revenues LESS: Misc. Revenues | \$88,170,531 | (12) |
| Adopted Uncollectibles Rate | 0.1918% | (26) |

\$88,647,707 - \$477,176 = \$88,170,531

| | |
|----------------------------------|------------------|
| Pro Forma Uncollectibles Expense | <u>\$169,127</u> |
|----------------------------------|------------------|

Pro Forma Franchise Fees Expense

| | | |
|--|--------------|------|
| Pro Forma Operating Revenues (Less Misc. Revenues) | \$88,170,531 | (12) |
| Adopted Franchise Fees Rate | 0.6483% | (26) |

| | |
|----------------------------------|------------------|
| Pro Forma Franchise Fees Expense | <u>\$571,566</u> |
|----------------------------------|------------------|

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 Pro Forma Income Taxes (\$000)

| | Adopted (36) | | |
|---|--|---------------------------|---|
| | Weighted Avg. Cost of Debt | Income Tax Calculation | Pro Forma Income Tax Calculation (12) |
| Operating Revenues | | \$77,593.6 | \$88,647.7 |
| <u>Deductions</u> | | | |
| Operating Expenses, excluding Depreciation & Income Taxes | | \$51,745.5 | \$57,795.1 (11) |
| Interest Expense | (29) 2.19% | \$4,309.5 | \$4,488.7 (11) |
| Subtotal | | \$56,055.0 | \$62,283.8 |
| <u>State Tax Calculation</u> | | | |
| Taxable Income Before Other Deductions | | \$21,538.6 | \$26,363.9 |
| Less: Depreciation-State | | \$14,228.1 | \$18,805.5 (36) |
| Less: Repair Regulations Deduction | | \$1,512.5 | \$1,644.9 |
| State Taxable Income | | \$5,798.1 | \$5,913.5 |
| State Corporate Franchise Tax at 8.84% (36) | | \$512.5 | \$522.8 |
| Amortization of AIAC/CIAC Tax | | \$104.4 | \$105.1 (36) |
| Total State Income Tax Expense | | \$617.0 | \$627.9 (11) |
| <u>Federal Tax Calculation</u> | | | |
| Taxable Income Before Other Deductions | | \$21,538.6 | \$26,363.9 |
| Less: Depreciation-Federal (book) | | \$8,686.4 | \$9,833.6 (36) |
| Less: State Corp. Franchise Tax - Prior Year | | \$631.0 | \$797.7 |
| Federal Taxable Income | | \$12,221.2 | \$15,732.6 |
| Federal Tax at 21% (36) | | \$2,566.5 | \$3,303.9 |
| Amortization of AIAC/CIAC Tax | | \$226.1 | \$227.5 (36) |
| Amortization of EDIT | | (\$256.5) | (\$256.5) |
| Amortization of EDIT (Jan. 2018 - Jun. 2020) | | (\$1,959.2) | \$0.0 |
| Total Federal Income Tax Expense | | \$576.9 | \$3,274.9 (11) |

$\$60,980.2 - \$9,185.1 = \$51,795.1$
 $2.19\% \times \$204,964.5 = \$4,488.7$

SAN GABRIEL VALLEY WATER COMPANY
 Fontana Water Company Division
 Advice Letter 579
 Adjusted Rate of Return & Earnings Test Adjustment

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

| | Adopted | | Operating Income |
|---|----------------------|--------------------------------|---------------------|
| | Rate Base (\$000) | Rate of Return on Rate Base | |
| Escalation Year 2021-2022 Adopted Rate Base | \$208,798.0 | 8.12% | \$16,954.4 |
| Escalation Year 2022-2023 Adopted Rate Base | \$224,244.1 | 8.12% | \$18,208.6 |
| As of March 2022 | \$220,382.6 | 8.26% | |

Calculation of Required Earnings Test Adjustment

| | |
|--|---------------|
| Pro Forma RORB | 8.67% |
| Adjusted-Adopted Rate of Return on Rate Base | 8.26% |
| Overearning | 0.40% |
| Pro Forma Rate Base | \$204,964,503 |
| N-T-G Factor | 1.40034 |
| Required Revenue Adjustment | \$1,162,407 |

41 42

Customers

| Month | Residential | | | | | | | | | | | | | | | Recycled | Total Metered | Construction | Private | | Total |
|--------------|---------------|-------|-------|--------------|-------|------------|-------|------------|-------|-----|------------------|-------|------------------|--------|------|----------|---------------|--------------|---------|--|-------|
| | Single Family | | | Multi-Family | | Commercial | | Industrial | | CSI | Niagara Bottling | CEMEX | Public Authority | | Fire | | | | Total | | |
| | Small | Large | Small | Large | Small | Large | Small | Large | Small | | | | Large | | | | | | | | |
| April 2021 | 42,571 | 958 | 132 | 2,394 | 368 | 32 | 35 | 4 | 2 | 1 | 331 | 278 | 29 | 47,135 | 80 | 1,131 | 48,346 | | | | |
| May | 42,593 | 957 | 132 | 2,397 | 368 | 31 | 35 | 4 | 2 | 1 | 331 | 278 | 29 | 47,158 | 78 | 1,134 | 48,370 | | | | |
| June | 42,584 | 958 | 132 | 2,408 | 368 | 31 | 35 | 4 | 2 | 1 | 331 | 278 | 29 | 47,161 | 77 | 1,137 | 48,375 | | | | |
| July | 42,595 | 958 | 132 | 2,406 | 368 | 31 | 35 | 4 | 2 | 1 | 333 | 278 | 29 | 47,172 | 81 | 1,137 | 48,390 | | | | |
| August | 42,593 | 953 | 132 | 2,415 | 368 | 31 | 34 | 4 | 2 | 1 | 335 | 278 | 29 | 47,175 | 82 | 1,138 | 48,395 | | | | |
| September | 42,621 | 955 | 132 | 2,423 | 368 | 31 | 34 | 4 | 2 | 1 | 336 | 278 | 29 | 47,214 | 84 | 1,142 | 48,440 | | | | |
| October | 42,626 | 956 | 132 | 2,428 | 368 | 31 | 34 | 4 | 2 | 1 | 336 | 278 | 29 | 47,225 | 83 | 1,143 | 48,451 | | | | |
| November | 42,627 | 953 | 132 | 2,428 | 368 | 31 | 34 | 4 | 2 | 1 | 336 | 278 | 29 | 47,223 | 80 | 1,148 | 48,451 | | | | |
| December | 42,619 | 954 | 132 | 2,430 | 368 | 31 | 34 | 4 | 2 | 1 | 336 | 278 | 29 | 47,218 | 85 | 1,151 | 48,454 | | | | |
| January 2022 | 42,616 | 954 | 132 | 2,431 | 368 | 30 | 34 | 4 | 2 | 1 | 337 | 278 | 29 | 47,216 | 85 | 1,152 | 48,453 | | | | |
| February | 42,631 | 955 | 132 | 2,436 | 368 | 30 | 34 | 4 | 2 | 1 | 338 | 278 | 29 | 47,238 | 84 | 1,157 | 48,479 | | | | |
| March | 42,616 | 956 | 132 | 2,441 | 368 | 31 | 34 | 4 | 2 | 1 | 338 | 278 | 29 | 47,230 | 88 | 1,158 | 48,476 | | | | |
| Average | 42,608 | 956 | 132 | 2,420 | 368 | 31 | 34 | 4 | 2 | 1 | 335 | 278 | 29 | 47,197 | 82 | 1,144 | 48,423 | | | | |

43 44

Sales (Ccf)

| Month | Residential | | | | | | | | | | | | | | | Construction | Recycled | Total |
|--------------|---------------|---------|---------|--------------|-----------|------------|---------|------------|----------|--------|------------------|---------|-----------|------------------|---------|--------------|----------|-------|
| | Single Family | | | Multi-Family | | Commercial | | Industrial | | CSI | Niagara Bottling | CEMEX | | Public Authority | | | | |
| | Small | Large | Small | Large | Small | Large | Small | Large | Contract | | | Tariff | | | | | | |
| April 2021 | 621,236 | 40,394 | 87,418 | 130,274 | 99,088 | 1,361 | 38,828 | 4,238 | 67,951 | 6,655 | 14,653 | 21,579 | 109,955 | 10,306 | 13,487 | 1,267,423 | | |
| May | 716,832 | 41,624 | 80,616 | 140,687 | 110,975 | 1,432 | 35,317 | 7,198 | 65,094 | 6,779 | 21,356 | 29,050 | 123,110 | 14,884 | 15,555 | 1,410,509 | | |
| June | 748,370 | 41,669 | 85,694 | 148,850 | 114,458 | 1,837 | 34,049 | 8,881 | 66,177 | 6,577 | 21,557 | 31,008 | 134,373 | 7,534 | 19,751 | 1,470,785 | | |
| July | 913,669 | 52,039 | 101,296 | 177,677 | 143,419 | 2,011 | 38,668 | 11,599 | 79,002 | 6,105 | 19,750 | 38,843 | 169,252 | 6,322 | 23,474 | 1,783,126 | | |
| August | 849,627 | 48,096 | 88,233 | 167,909 | 130,895 | 1,816 | 39,257 | 19,043 | 73,788 | 8,582 | 17,324 | 37,843 | 150,386 | 6,060 | 19,190 | 1,658,049 | | |
| September | 873,170 | 52,177 | 98,825 | 182,456 | 142,479 | 2,100 | 54,790 | 35,960 | 81,247 | 8,518 | 19,503 | 37,494 | 153,387 | 4,714 | 20,104 | 1,766,924 | | |
| October | 753,205 | 46,091 | 85,301 | 163,435 | 113,817 | 1,579 | 51,194 | 37,962 | 70,343 | 7,255 | 16,111 | 28,455 | 113,974 | 5,355 | 10,006 | 1,504,083 | | |
| November | 581,803 | 37,330 | 83,734 | 136,721 | 103,187 | 1,348 | 58,743 | 31,760 | 69,271 | 5,453 | 20,108 | 19,164 | 91,546 | 6,278 | 11,804 | 1,258,250 | | |
| December | 621,992 | 38,527 | 68,040 | 138,647 | 86,285 | 1,058 | 36,579 | 5,564 | 58,773 | 4,615 | 17,164 | 19,816 | 56,903 | 14,891 | 3,552 | 1,172,406 | | |
| January 2022 | 468,560 | 35,195 | 66,780 | 100,320 | 56,964 | 903 | 37,351 | 8,117 | 60,982 | 5,495 | 15,131 | 7,228 | 49,769 | 3,565 | 5,469 | 921,829 | | |
| February | 557,741 | 37,995 | 75,623 | 121,009 | 86,248 | 1,126 | 42,602 | 7,976 | 73,255 | 5,827 | 18,895 | 19,302 | 84,135 | 14,173 | 9,995 | 1,155,902 | | |
| March | 555,480 | 36,387 | 74,033 | 129,676 | 95,954 | 1,197 | 42,123 | 12,039 | 64,537 | 5,397 | 25,754 | 20,255 | 89,286 | 9,470 | 10,186 | 1,171,774 | | |
| Totals | 8,261,685 | 507,524 | 995,593 | 1,737,661 | 1,283,769 | 17,768 | 509,501 | 190,337 | 830,420 | 77,258 | 227,306 | 310,037 | 1,326,076 | 103,552 | 162,573 | 16,541,060 | | |

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised
Cancelling Revised

Cal. P.U.C. Sheet No. 3178-W
Cal. P.U.C. Sheet No. 3170-W

SCHEDULE NO. FO-1
Fontana Water Company
GENERAL METERED SERVICE

APPLICABILITY

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

TERRITORY

Portions of Fontana, Rancho Cucamonga, Rialto, and vicinity, San Bernardino County.

RATES

Quantity Rates:

For all water used, per 100 cu. ft. \$4.0431 (I)

Per Meter
Per Month

Service Charges:

| | |
|--------------------------------|----------|
| For 5/8 x 3/4-inch meter | \$ 20.12 |
| For 3/4-inch meter | 30.16 |
| For 1-inch meter | 50.27 |
| For 1-1/2-inch meter | 100.53 |
| For 2-inch meter | 160.84 |
| For 3-inch meter | 301.61 |
| For 4-inch meter | 502.62 |
| For 6-inch meter | 1,003.51 |
| For 8-inch meter | 1,612.43 |
| For 10-inch meter | 2,306.48 |
| For 12-inch meter | 3,322.01 |

(continued)

(To be inserted by utility)

Issued by

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

Advice Letter No. 572-A

J. M. Reiker

Date Filed 12/20/2021

Decision No. _____

NAME

Effective 01/01/2022

Vice President of Regulatory Affairs

TITLE

Resolution No. _____

(P)

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3171-W
Cal. P.U.C. Sheet No. 3134-W

SCHEDULE NO. FO-1
Fontana Water Company
GENERAL METERED SERVICE
(continued)

RATES (continued)

| | <u>Per Battery</u> <u>Per Month</u> |
|--|--|
| For two 2-inch meters..... | \$ 321.49 |
| For three 2-inch meters..... | 482.73 |
| For four 2-inch meters..... | 642.97 |
| For Five 2-inch meters..... | 804.21 |
| For two 3-inch meters..... | 603.91 |
| For three 3-inch meters..... | 904.36 |
| For two 4-inch meters..... | 1,005.52 |
| For three 4-inch meters..... | 1,508.28 |
| For one 8-inch meter, two 2-inch meters..... | 1,929.91 |
| For two 8-inch meters..... | 3,216.85 |

(I)
|
(I)

The Service Charge is a readiness-to-serve charge applicable to all metered service and to which is added to the quantity charge 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 on Schedule No. FO-AS.

(To be inserted by utility)

Issued by

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

Advice Letter No. 571-A

J. M. Reiker

Date Filed 12/17/2021

Decision No. _____

NAME

Effective 01/01/2022

Vice President of Regulatory Affairs

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised
Cancelling Revised

Cal. P.U.C. Sheet No. 3179-W
Cal. P.U.C. Sheet No. 3172-W

SCHEDULE NO. FO-1C
Fontana Water Company
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 Fontana, Rancho Cucamonga, Rialto, and vicinity, San Bernardino County.

RATES

Quantity Rates:

| | | |
|--|----------|-----|
| For the first 14 Ccf of water used, per 100 cu. ft. | \$3.8871 | (I) |
| For all Ccf greater than 14 Ccf, per 100 cu. ft. | \$4.4174 | (I) |

Service Charges:

| | Per Meter Per Month |
|--------------------------------|------------------------|
| For 5/8 x 3/4-inch meter | \$ 20.12 |
| For 3/4-inch meter | 30.16 |
| For 1-inch meter | 50.27 |
| For 1-1/2-inch meter | 100.53 |
| For 2-inch meter | 160.84 |
| For 3-inch meter | 301.61 |

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. FO-AS.

(To be inserted by utility)

Issued by

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

Advice Letter No. 572-A

J. M. Reiker

Date Filed 12/20/2021

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. 3173-W
Cal. P.U.C. Sheet No. 3136-W

SCHEDULE NO. FO-4
Fontana Water Company
PRIVATE FIRE SERVICE

APPLICABILITY

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

TERRITORY

Portions of Fontana, Rancho Cucamonga, Rialto and vicinity, San Bernardino County.

RATE

Per Service
Per Month

For each inch of diameter of service connection \$13.48 (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. 571-A

J. M. Reiker

Date Filed 12/17/2021

Decision No. _____

NAME

Effective 01/01/2022

Vice President of Regulatory Affairs

22

11142 GARVEY AVENUE
EL MONTE, CALIFORNIA 91733

Revised _____
Cancelling Revised _____

Cal. P.U.C. Sheet No. 3180-W
Cal. P.U.C. Sheet No. 3174-W

SCHEDULE NO. FO-6
Fontana Water Company Tariff Area
RECYCLED WATER METERED SERVICE

APPLICABILITY

Applicable to all recycled water metered service.

TERRITORY

Portions of Fontana, Rancho Cucamonga, Rialto, and vicinity, San Bernardino County.

RATES

Quantity Rates:

For all water delivered per 100 cu. ft. \$ 3.0323 (I)

Service Charge:

| | Per Meter Per Month |
|-------------------------------|------------------------|
| For 5/8 x 3/4-inch meter..... | \$20.12 |
| For 3/4-inch meter..... | 30.16 |
| For 1-inch meter..... | 50.27 |
| For 1-1/2-inch meter..... | 100.53 |
| For 2-inch meter..... | 160.84 |
| For 3-inch meter..... | 301.61 |
| For 4-inch meter..... | 502.62 |
| For 6-inch meter..... | 1,003.51 |
| For 8-inch meter..... | 1,612.43 |
| For 10-inch meter..... | 2,306.48 |
| For 12-inch meter..... | 3,322.01 |

(continued)

(To be inserted by utility)
Advice Letter No. 572-A
Decision No. _____

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

(To be inserted by Cal. P.U.C.)
Date Filed 12/20/2021
Effective 01/01/2022

23

SCHEDULE NO. FO-6
Fontana Water Company Tariff Area
RECYCLED WATER METERED SERVICE
(continued)

RATES – (continued)

| | <u>Per Battery</u> <u>Per Month</u> | |
|--|--|-----|
| For two 2-inch meters | \$ 321.49 | (I) |
| For three 2-inch meters | 482.73 | |
| For four 2-inch meters | 642.97 | |
| For five 2-inch meters | 804.21 | |
| For two 3-inch meters | 603.91 | |
| For three 3-inch meters | 904.36 | |
| For two 4-inch meters | 1,005.52 | |
| For three 4-inch meters | 1,508.28 | |
| For one 8-inch meter, one 2-inch meter | 1,929.91 | |
| For two 8-inch meters | 3,216.85 | |

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 75% of the Quantity Rate of Schedule No. FO-1.
2. The customer is responsible for compliance with all local, state, and federal rules and regulations that apply to the use of recycled water on the customer's premises.
3. The utility will supply only such recycled water at such pressure as may be available from time to time from the recycled 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. FO-AS.

(To be inserted by utility)

Issued by

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

Advice Letter No. 571-A

J. M. Reiker

Date Filed 12/17/2021

Decision No. _____

NAME

Effective 01/01/2022

Vice President of Regulatory Affairs

24

SCHEDULE NO. FO-AS
Fontana Water Company
ADDITIONAL SURCHARGES/SURCREDITS

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Portions of Fontana, Rancho Cucamonga, Rialto, and vicinity, San Bernardino County.

RATES

1. A surcharge of \$0.2389 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). (L)(R)
2. A surcharge of \$0.2563 per Ccf is to be applied to the quantity rates effective July 1, 2018 through June 30, 2021 to amortize the net undercollection in the Water Cost Balancing account. (L)
3. A surcharge of \$0.1254 per Ccf is to be applied to the quantity rates of potable water customers on rate Schedules FO-1 and FO-1C for twenty-four months effective October 1, 2018 to amortize the net under-collection in the Fontana Drought Lost Revenue and Drought Surcharge Revenue Balancing Accounts. (L)(T)
4. A surcharge of \$0.0491 per Ccf is to be applied to the quantity rates for thirty-six months effective March 7, 2019 to amortize the net under-collection in the Mains Project Balancing Account for Fontana Water Company Division. (L)
5. A surcharge of \$0.2445 per Ccf is to be applied to the quantity rates effective August 19, 2020 through August 18, 2021 to amortize the net undercollection in various balancing accounts in compliance with D.20-08-006. (N)
6. A one-time fixed surcredit is to be applied to the first monthly bill issued to Customers of Record during the first billing cycle commencing on August 19, 2020 to refund the \$713,278 overcollection in several memorandum accounts as of December 2018, in compliance with D.20-08-006, as follows: (N)

| <u>Meter Size</u> | <u>One-Time Surcredit</u> |
|---------------------------|---------------------------|
| 5/8 x 3/4-inch meter..... | \$7.38 |
| 3/4-inch meter..... | \$11.07 |
| 1-inch meter..... | \$18.45 |
| 1 1/2-inch meter..... | \$36.90 |
| 2-inch meter..... | \$59.04 |
| 3-inch meter..... | \$110.70 |
| 4-inch meter..... | \$184.49 |
| 6-inch meter..... | \$368.99 |
| 8-inch meter..... | \$590.38 |
| 10-inch meter..... | \$848.67 |
| 12-inch meter..... | \$1,217.65 |
| 2 2-inch meters..... | \$118.08 |
| 3 2-inch meters..... | \$177.11 |
| 4 2-inch meters..... | \$236.15 |
| 5 2-inch meters..... | \$295.19 |
| 2 3-inch meters..... | \$221.39 |
| 2 4-inch meters..... | \$368.99 |

(To be inserted by utility)

Issued by

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

Advice Letter No. 552-A

J.M. Reiker
NAME

Date Filed 08/25/2020

Decision No. D.20-08-006

Vice President of Regulatory Affairs

Effective 08/19/2020

25

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

Appendix B
 Page 1 of 12
 San Gabriel Valley Water Company
 Fontana Water Company
SUMMARY OF EARNINGS and RATES OF RETURN
 (Dollars in Thousands)

Test Year 2020/2021

| | SGVWC | | |
|------------------------------------|--------------------------|-------------------|-------------------|
| | GRC Update April 2019 | Settlement | Cal-PA |
| Present Rate Revenue | \$68,826.2 | \$73,296.8 | \$75,802.3 |
| Proposed Increase | \$8,369.2 12.2% | \$4,296.8 5.9% | \$2,445.2 3.2% |
| Operating Revenues | \$77,195.6 | \$77,593.6 | \$78,247.4 |
| Operating Expenses | | | |
| Purchased Water & Assessments | \$20,507.9 | \$23,094.8 | \$24,566.2 |
| Purchased Power | \$4,661.2 | \$4,661.2 | \$5,003.6 |
| Chemicals | \$669.8 | \$730.3 | \$764.7 |
| Payroll | \$6,555.6 | \$6,357.3 | \$6,271.7 |
| Materials & Supplies | \$1,054.0 | \$1,054.0 | \$1,054.0 |
| Transportation | \$885.1 | \$885.1 | \$885.1 |
| Insurance | \$1,295.6 | \$1,295.6 | \$1,295.6 |
| Pensions & Benefits | \$3,142.6 | \$2,918.7 | \$2,847.7 |
| Uncollectibles @ 0.1918% | \$137.2 | \$147.9 | \$133.5 |
| Franchise Fees @ 0.6483% | \$497.3 | \$499.9 | \$504.1 |
| Regulatory Commission Expense | \$410.3 | \$423.3 | \$423.3 |
| Outside Services | \$1,322.3 | \$1,322.3 | \$1,322.3 |
| Utilities & Rents | \$121.1 | \$121.1 | \$121.1 |
| Miscellaneous Expense | \$837.2 | \$650.1 | \$639.7 |
| Administrative Expense Transferred | (\$2,317.3) | (\$1,968.5) | (\$1,850.4) |
| Subtotal | \$39,789.8 | \$42,193.1 | \$43,982.1 |
| Allocated Common Expenses | \$6,853.2 | \$6,606.5 | \$6,275.4 |
| Total Operating Expense | \$46,643.0 | \$48,799.6 | \$50,257.5 |
| Depreciation | \$8,971.2 | \$8,686.4 | \$8,474.9 |
| Ad Valorem Taxes | \$2,182.1 | \$2,063.8 | \$2,000.8 |
| Payroll Taxes | \$915.5 | \$882.1 | \$867.7 |
| Total Expense before Income Taxes | \$58,711.8 | \$60,431.9 | \$61,600.8 |
| Net Revenue Before Income Taxes | \$18,483.8 | \$17,161.7 | \$16,646.6 |
| State Income Tax | \$653.1 | \$617.0 | \$603.6 |
| Federal Income Tax | \$803.4 | \$576.9 | \$448.6 |
| Total Expenses | \$60,168.3 | \$61,625.8 | \$62,653.0 |
| Net Operating Revenues | \$17,027.3 | \$15,967.8 | \$15,594.4 |
| Rate Base | \$209,584.2 | \$196,527.7 | \$192,034.0 |
| Rate of Return | 8.12% | 8.12% | 8.12% |

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

Appendix B
 Page 4 of 12
 San Gabriel Valley Water Company
 Fontana Water Company
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 | \$449,464.5 | \$473,962.6 |
| Depreciation Reserve | \$138,093.0 | \$148,760.2 |
| Net Utility Plant | <u>\$311,371.5</u> | <u>\$325,202.4</u> |
| Less: | | |
| Advances | \$35,486.8 | \$33,942.0 |
| Contributions | \$69,641.2 | \$67,528.7 |
| Accumulated Deferred Income Taxes | \$37,884.5 | \$39,316.6 |
| Deferred Investment Tax Credit | \$192.1 | \$172.9 |
| Subtotal | <u>\$168,166.8</u> | <u>\$184,242.0</u> |
| Plus: | | |
| Materials and Supplies | \$1,453.2 | \$1,563.7 |
| Operational Cash Requirement | \$15.0 | \$15.0 |
| Working Cash-Lead Lag | \$4,821.1 | \$4,524.6 |
| Tax on Advances and Contributions | \$7,753.1 | \$7,455.8 |
| Water Entitlements - Fontana Union | \$2,578.3 | \$2,578.3 |
| Net Common Plant Allocation | \$11,740.3 | \$11,594.4 |
| Average Rate Base | <u>\$196,527.7</u> | <u>\$211,973.8</u> |

$$\begin{aligned}
 & \$211,973.8 - \$196,527.7 = \$15,446.1 \text{ E.Y. '22-'23 Rate Base Increase} \\
 & \quad \quad \quad + \\
 & \quad \quad \quad \$208,798.0 \\
 & \quad \quad \quad = \\
 & \quad \quad \quad \$224,244.1 \text{ E.Y. '22-'23 Rate Base}
 \end{aligned}$$

San Gabriel Valley Water Company
 Fontana Water Company
WATER COST SUMMARY
Test Year 2020-2021

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

| | Basis | | Unit Cost | Total Cost / Assessment (\$000) |
|--|-------------------------------|----------------|--------------|---------------------------------------|
| | Current Production (AF) | Other | | |
| <u>Chino Basin Wells</u> | | | | |
| Replenishment Assessment | 9,429.5 | | \$703.04 | \$6,629.3 |
| Administrative Assessment | | 17,626.5 AF | \$18.03 | \$317.8 |
| OBMP Assessment | | 17,626.5 AF | \$53.60 | \$944.8 |
| Appropriative Pool & 85/15 Assess. | | 17,626.5 AF | \$13.04 | \$229.8 |
| Desalter Replenishment Obligation | | 597.0 AF | \$580.00 | \$346.3 |
| Land Use Conversion Assessment | 696.0 | | \$34.40 | \$23.9 |
| Appropriative Rights | 1.0 | | \$0.00 | \$0.0 |
| Leases | 7,500.0 | | \$500.40 | \$3,753.0 |
| Total - Chino Basin Wells | 17,626.5 | | | \$12,245.0 |
| <u>Lytle Creek Surface & Groundwater (SBBA)</u> | | | | |
| FWC Share | 3,795.0 | | \$0.00 | \$0.0 |
| CVWD Share | 1,705.0 | | \$590.75 | \$1,007.2 |
| SBBA Assessment | 0.0 | 5,500 AF | \$0.00 | \$0.0 |
| Total - Lytle Creek Surface & Groundwater | 5,500.0 | | | \$1,007.2 |
| <u>Rialto & No-Man's Basin Wells</u> | | | | |
| FWC Share | 4,485.0 | | \$0.00 | \$0.0 |
| CVWD Share | 2,015.0 | | \$590.75 | \$1,190.4 |
| Leases and Assessment(s) | 0.0 | | \$0.00 | \$0.0 |
| Total - Rialto & No-Man's Basin Wells | 6,500.0 | | | \$1,190.4 |
| <u>Other Sources of Supply</u> | | | | |
| SWP Purchases - IEUA | 9,000.0 | | \$695.00 | \$6,255.0 |
| SWP Purchases - SBVMWD | 0.0 | | \$125.80 | \$0.0 |
| CVWD Interconnection | 0.0 | | \$515.00 | \$0.0 |
| Recycled Water | 1,011.2 | | \$470.00 | \$475.3 |
| Total - Purchased Water | 10,011.2 | | | \$6,730.3 |
| <u>Other Charges</u> | | | | |
| IEUA Meter Equivalent Unit Rate (MEU) | | 81,314.0 MEUs | \$11.88 | \$966.0 |
| IEUA Readiness to Serve Charge (RTS) | | Monthly | \$9,368.97 | \$112.4 |
| IEUA Monthly Capacity Charge | | Monthly | \$14,790.00 | \$177.5 |
| Water Stock Assessments (shares) | | 6,055.1 Shares | \$110.00 | \$666.1 |
| Other Assessment(s) | | 0.0 | \$0.00 | \$0.0 |
| Totals | 39,637.8 | | | \$23,094.8 |
| Unit Cost Per Acre-Foot | | | | \$582.65 |

D. 20-08-000 in A. 19-01-001
 Settlement Worksheet FEX22

| ESCALATION FACTORS | | | | | | | |
|--------------------|-------|----------|-------|----------------|--------|---------------------|-------|
| Year | Labor | Comp/hr. | @ 40% | Non-Labor Rate | @ 60% | Non-Labor Composite | CPI-U |
| 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% | -0.86% | -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
 2018 CPI-U is 2nd Half 2018.

| UNCOLLECTIBLES RAT | 0.1918% | Escalation to Year 2018 | | | Non-Labor | |
|---------------------|---------|-------------------------|--------|----------|-----------|--------|
| FRANCHISE FEES RATE | 0.6483% | From | Labor | Comp/hr. | Composite | CPI-U |
| | | 2014 | 1.0519 | 1.1047 | 1.0646 | 1.0602 |
| | | 2015 | 1.0353 | 1.0715 | 1.0693 | 1.0591 |
| N-T-G | 1.40034 | 2016 | 1.0343 | 1.0599 | 1.0716 | 1.0455 |
| | | 2017 | 1.0210 | 1.0250 | 1.0346 | 1.0240 |

| COST OF CAPITAL (D.18-012-002) | | | | INCOME TAX RATES | |
|--------------------------------|---------|-------|---------------|------------------|-------|
| Capital | Ratio | Cost | Weighted Cost | Federal | State |
| LT Debt | 35.54% | 6.17% | 2.19% | 21.00% | 8.84% |
| Common Equi | 64.46% | 9.20% | 5.93% | | |
| Total | 100.00% | | 8.12% | | |

| INPUTS FROM OTHER EXCEL WORKBOOKS | | | | FOUR-FACTORS | | |
|-----------------------------------|-------------|-------------|-------------|--------------|--------|--------|
| Source: Workpaper FE1 | 2019 | 2020 | 2021 | LAC | FWC | |
| Purchased Power (Acct. 726-03) | \$4,667,953 | \$4,678,491 | \$4,678,491 | 2013 | 49.21% | 50.79% |
| Purchased Power (Acct. 742-03) | (\$17,316) | (\$17,316) | (\$17,316) | 2014 | 48.88% | 51.12% |
| | | | | 2015 | 48.64% | 51.36% |
| | | | | 2016 | 49.85% | 50.15% |
| | | | | 2017 | 49.37% | 50.63% |
| | | | | 2018 | 49.46% | 50.54% |
| | | | | 2019 | 49.27% | 50.73% |
| | | | | 2020 | 49.27% | 50.73% |

| FWC Insurance Expenses | Source: Workpaper GEX6 | 2019 | TY 2020-2021 |
|-----------------------------|------------------------|-----------|--------------|
| Umbrella Insurance (793F) | | \$105,202 | \$113,408 |
| Umbrella Insurance (794F) | | \$766,202 | \$825,966 |
| Workers Compensation (794F) | | \$296,091 | \$309,261 |

| FWC Payroll Taxes | 2019 | TY 2020-2021 |
|-------------------|------------|--------------|
| FICA @ 6.2% | \$477,817 | \$501,519 |
| FICA @ 1.45% | \$128,547 | \$134,483 |
| FUTA @ 2.1% | \$3,920 | \$4,008 |
| SUI @ 2.9% | \$15,028 | \$15,364 |
| Capitalized | (\$78,053) | (\$78,053) |

Source: Workpaper PR12

| FWC Share of General Division | 2019 | TY 2020-2021 | TY 2021-2022 |
|--------------------------------|--------------|--------------|--------------|
| Source: Exhibit SG-1, Table 8B | (\$000) | (\$000) | |
| Operating Expenses | \$6,025,362 | \$6,606,487 | |
| Depreciation Expense | \$354,035 | \$502,842 | \$528,415 |
| Ad Valorem Taxes | \$12,514 | \$15,500 | \$15,515 |
| Payroll Taxes | \$293,486 | \$307,614 | N/A |
| Utility Plant | \$11,924,309 | \$13,432,677 | \$13,604,394 |
| Depreciation Reserve | \$1,333,578 | \$1,692,351 | \$2,010,013 |
| Net Plant | \$10,590,731 | \$11,740,325 | \$11,594,380 |

| FWC Payroll Benefits (GEX7) | | | |
|-----------------------------|-------------|-------------|-------------|
| 2019 | 2020 | 2021 | |
| Total | \$2,806,055 | \$2,885,579 | \$2,951,779 |

| FWC Share of General Division (Source: Exhibit SG-1, Tables 4A, 5A, and Ratemaking Adjustments) | | | | | |
|---|-------------|--------------|-------------|-------------|--------------------------|
| Year | O&M Expense | Depreciation | Ad Val. Tax | Payroll Tax | Gen. Division Tax Depec. |
| 2014 | \$4,847,920 | \$247,480 | \$11,488 | \$216,124 | (\$24,927) (\$79,835) |
| 2015 | \$5,539,580 | \$257,974 | \$11,746 | \$232,885 | (\$24,817) (\$79,276) |
| 2016 | \$5,672,248 | \$264,177 | \$11,723 | \$248,079 | (\$24,024) (\$76,506) |
| 2017 | \$5,958,578 | \$261,030 | \$12,143 | \$255,683 | (\$24,060) (\$76,390) |
| 2018 | \$5,778,377 | \$261,021 | \$12,469 | \$253,417 | (\$23,820) (\$45,247) |
| 2019 | \$6,025,362 | \$355,260 | \$12,557 | \$293,852 | \$2,240,866 \$2,239,574 |
| 2020 | \$6,528,046 | \$482,220 | \$15,257 | \$304,788 | \$3,729,514 \$3,273,290 |
| 2021 | \$6,684,929 | \$526,151 | \$15,839 | \$311,170 | \$4,646,571 \$3,983,910 |
| 2022 | | \$533,884 | \$15,286 | | \$4,609,250 \$4,086,047 |

D.20-08-006 in A.19-01-001
Settlement Workpaper FRV2

**San Gabriel Valley Water Company
Fontana Water Company
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 | | | | | | | | 70.6% | 5,020,852 | 5,473,759 | 5,518,217 | 5,562,676 |
| Tier 2 | | | | | | | | 29.4% | 2,090,837 | 2,279,441 | 2,297,955 | 2,316,468 |
| Residential - Single Family | 42,081 | 42,600 | 42,946 | 43,292 | 169 | 182 | 182 | 182 | 7,111,689 | 7,753,200 | 7,816,172 | 7,879,144 |
| Residential - Multi-Family - Small | 942 | 940 | 939 | 938 | 489 | 515 | 515 | 515 | 460,638 | 484,100 | 483,585 | 483,070 |
| Residential - Multi-Family - Large | 130 | 129 | 129 | 129 | 7,672 | 7,672 | 7,672 | 7,672 | 997,360 | 989,688 | 989,688 | 989,688 |
| Commercial, Small | 2,311 | 2,357 | 2,387 | 2,418 | 566 | 566 | 566 | 566 | 1,308,026 | 1,334,062 | 1,351,042 | 1,368,588 |
| Commercial, Large | 365 | 353 | 356 | 359 | 3,533 | 3,533 | 3,533 | 3,533 | 1,289,545 | 1,247,149 | 1,257,748 | 1,268,347 |
| Industrial - Small | 35 | 34 | 34 | 33 | 602 | 602 | 602 | 602 | 21,070 | 20,468 | 20,468 | 19,866 |
| Industrial - Large | 36 | 32 | 31 | 29 | 10,761 | 10,761 | 10,761 | 10,761 | 387,396 | 344,352 | 333,591 | 312,069 |
| Niagara Bottling | 2 | 2 | 2 | 2 | 324,844 | 649,687 | 649,687 | 649,687 | 649,688 | 1,299,374 | 1,299,374 | 1,299,374 |
| California Steel Industries | 4 | 4 | 4 | 4 | 21,684 | 22,393 | 22,393 | 22,393 | 86,736 | 89,572 | 89,572 | 89,572 |
| Cemex USA - contract | 1 | 1 | 1 | 1 | 98,406 | 98,406 | 98,406 | 98,406 | 98,406 | 98,406 | 98,406 | 98,406 |
| Cemex USA - tariff | N/A | N/A | N/A | N/A | 167,555 | 167,555 | 167,555 | 167,555 | 167,555 | 167,555 | 167,555 | 167,555 |
| Public Authority - Small | 323 | 328 | 332 | 335 | 713 | 713 | 713 | 713 | 230,299 | 233,864 | 236,716 | 238,855 |
| Public Authority - Large | 270 | 234 | 232 | 231 | 4,818 | 4,818 | 4,818 | 4,818 | 1,300,860 | 1,127,412 | 1,117,776 | 1,112,958 |
| Construction | 58 | 58 | 58 | 58 | 3,725 | 3,725 | 3,725 | 3,725 | 214,188 | 214,188 | 214,188 | 214,188 |
| Total Potable Water | 46,558 | 47,072 | 47,451 | 47,829 | | | | | 14,323,456 | 15,403,390 | 15,475,881 | 15,541,680 |
| Water Loss Factor (from Exhibit SG-3) | | | | | | | | | 8.5% | 8.5% | 8.5% | 8.5% |
| Potable Water Production, Ccf | | | | | | | | | 15,646,055 | 16,825,707 | 16,904,892 | 16,976,767 |
| Recycled Water - Contract | 25 | 62 | 62 | 62 | 6,555 | 4,478 | 4,478 | 4,478 | 163,875 | 277,647 | 277,647 | 277,647 |
| Recycled Water - Tariff | 3 | 29 | 29 | 29 | 12,640 | 5,616 | 5,616 | 5,616 | 37,920 | 162,852 | 162,852 | 162,852 |
| Total Recycled Water, Ccf | 28 | 91 | 91 | 91 | 7,207 | 4,841 | 4,841 | 4,841 | 201,795 | 440,499 | 440,499 | 440,499 |
| Total Customers and Sales (Ccf) | 46,586 | 47,163 | 47,542 | 47,920 | | | | | 14,525,251 | 15,843,888 | 15,916,379 | 15,982,178 |
| Total Production, Ccf | | | | | | | | | 15,847,850 | 17,266,206 | 17,345,391 | 17,417,266 |
| Total Production, Acre-feet | | | | | | | | | 36,381.7 | 39,637.8 | 39,819.5 | 39,984.5 |

Source: Workpaper FRV1; Exhibit SG-3, Table 4A, Table 4B-1

D, 20-08-006 in A, 19-01-001
 Settlement Workpaper FRV5

**San Gabriel Valley Water Company
 Fontana Water Company
 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 | \$16,158,998 | \$26,794,834 | \$42,953,832 | \$17,369,391 | \$28,927,807 | \$46,297,198 | \$18,026,617 | \$30,145,698 | \$48,172,315 |
| Residential - Multi-Family - Small | \$527,478 | \$1,673,050 | \$2,200,528 | \$562,399 | \$1,789,748 | \$2,352,147 | \$578,168 | \$1,848,226 | \$2,426,394 |
| Residential - Multi-Family - Large | \$791,688 | \$3,420,362 | \$4,212,050 | \$844,166 | \$3,662,835 | \$4,507,001 | \$867,817 | \$3,786,546 | \$4,654,364 |
| Commercial - Small | \$2,137,539 | \$4,610,518 | \$6,748,057 | \$2,314,934 | \$5,000,206 | \$7,315,140 | \$2,410,060 | \$5,236,218 | \$7,646,278 |
| Commercial - Large | \$734,507 | \$4,310,147 | \$5,044,654 | \$790,454 | \$4,654,925 | \$5,445,379 | \$817,820 | \$4,852,696 | \$5,670,516 |
| Industrial - Small | \$34,337 | \$70,737 | \$105,075 | \$36,614 | \$75,752 | \$112,366 | \$37,442 | \$76,007 | \$113,450 |
| Industrial - Large | \$84,470 | \$1,190,081 | \$1,274,551 | \$91,970 | \$1,234,620 | \$1,326,590 | \$88,753 | \$1,193,976 | \$1,282,729 |
| Niagara Bottling | \$44,544 | \$4,490,637 | \$4,535,181 | \$47,424 | \$4,808,983 | \$4,856,407 | \$48,852 | \$4,971,405 | \$5,020,257 |
| California Steel Industries | \$81,372 | \$309,561 | \$390,933 | \$87,012 | \$331,506 | \$418,518 | \$89,652 | \$342,702 | \$432,354 |
| Cemex USA | \$25,920 | \$767,813 | \$793,733 | \$27,720 | \$822,247 | \$849,967 | \$28,560 | \$850,021 | \$878,581 |
| Public Authority - Small | \$416,775 | \$808,234 | \$1,225,009 | \$446,457 | \$876,086 | \$1,322,543 | \$465,462 | \$913,859 | \$1,379,322 |
| Public Authority - Large | \$585,551 | \$3,896,336 | \$4,481,887 | \$617,084 | \$4,136,889 | \$4,753,973 | \$633,467 | \$4,258,177 | \$4,891,644 |
| Construction | \$0 | \$740,232 | \$740,232 | \$0 | \$792,708 | \$792,708 | \$0 | \$819,481 | \$819,481 |
| Recycled Water | \$210,862 | \$903,329 | \$1,114,191 | \$224,860 | \$933,253 | \$1,158,113 | \$231,522 | \$948,521 | \$1,180,043 |
| Subtotal | \$21,834,041 | \$53,985,870 | \$75,819,911 | \$23,460,484 | \$58,047,567 | \$81,508,051 | \$24,324,193 | \$60,243,533 | \$84,567,727 |
| Private Fire Protection (604) | | | \$1,296,510 | | | \$1,419,498 | | | \$1,499,260 |
| Rent from Water Property (612) | | | \$627 | | | \$627 | | | \$627 |
| Misc. Revenues (611 and 614) | | | \$476,549 | | | \$476,549 | | | \$476,549 |
| Total Revenues | | | \$77,593,597 | | | \$83,404,726 | | | \$86,544,163 |

(\$627) (\$477,176)
 (\$476,549)

Percentage of Gross Revenues at Proposed Rates

| Customer Class | 2020-2021 | 2021-2022 | 2022-2023 |
|-----------------------|-----------|-----------|-----------|
| Residential | 63.62% | 63.73% | 63.84% |
| Commercial | 15.20% | 15.30% | 15.39% |
| Industrial | 1.78% | 1.73% | 1.61% |
| Niagara Bottling | 5.84% | 5.82% | 5.80% |
| Cal. Steel Industries | 0.50% | 0.50% | 0.50% |
| Cemex USA | 1.02% | 1.02% | 1.02% |
| Public Authority | 7.35% | 7.29% | 7.25% |
| Construction | 0.95% | 0.95% | 0.95% |
| Recycled Water | 1.44% | 1.39% | 1.36% |
| Private Fire Service | 1.67% | 1.70% | 1.73% |
| Miscellaneous | 0.61% | 0.57% | 0.55% |
| Total | 100.00% | 100.00% | 100.00% |

Source: Workpapers FRV3, FRV4, and FRV5a through FRV5d

D. 20-08-000 in A. 19-01-001
 Settlement Workpaper FRV5a

San Gabriel Valley Water Company
 Fontana Water Company

ESTIMATED REVENUES at PROPOSED RATES

| Class | Sales (Ccf) | | | Quantity Rates (\$/Ccf) | | | Quantity Rate Revenues | | |
|------------------------------------|-------------------|-------------------|-------------------|-------------------------|-----------|-----------|------------------------|---------------------|---------------------|
| | 2020-2021 | 2021-2022 | 2022-2023 | 2020-2021 | 2021-2022 | 2022-2023 | 2020-2021 | 2021-2022 | 2022-2023 |
| | Tier 1 | 5,473,759 | 5,518,217 | 5,562,676 | \$3.3100 | \$3.5447 | \$3.6644 | \$18,118,143 | \$19,560,425 |
| Tier 2 | 2,279,441 | 2,297,955 | 2,316,468 | \$3.8065 | \$4.0764 | \$4.2141 | \$8,676,691 | \$9,367,382 | \$9,761,829 |
| Residential - Single Family | 7,753,200 | 7,816,172 | 7,879,144 | \$3.4560 | \$3.7010 | \$3.8260 | \$26,794,834 | \$28,927,807 | \$30,145,698 |
| Residential - Multi-Family - Small | 484,100 | 483,585 | 483,070 | \$3.4560 | \$3.7010 | \$3.8260 | \$1,673,050 | \$1,789,748 | \$1,848,226 |
| Residential - Multi-Family - Large | 989,688 | 989,688 | 989,688 | \$3.4560 | \$3.7010 | \$3.8260 | \$3,420,362 | \$3,662,835 | \$3,786,546 |
| Commercial - Small | 1,334,062 | 1,351,042 | 1,368,588 | \$3.4560 | \$3.7010 | \$3.8260 | \$4,610,518 | \$5,000,206 | \$5,236,218 |
| Commercial - Large | 1,247,149 | 1,257,748 | 1,268,347 | \$3.4560 | \$3.7010 | \$3.8260 | \$4,310,147 | \$4,654,925 | \$4,852,696 |
| Industrial - Small | 20,468 | 20,468 | 19,866 | \$3.4560 | \$3.7010 | \$3.8260 | \$70,737 | \$75,752 | \$76,007 |
| Industrial - Large | 344,352 | 333,591 | 312,069 | \$3.4560 | \$3.7010 | \$3.8260 | \$1,190,081 | \$1,234,620 | \$1,193,976 |
| Niagara Bottling | 1,299,374 | 1,299,374 | 1,299,374 | \$3.4560 | \$3.7010 | \$3.8260 | \$4,490,637 | \$4,808,983 | \$4,971,405 |
| California Steel Industries | 89,572 | 89,572 | 89,572 | \$3.4560 | \$3.7010 | \$3.8260 | \$309,561 | \$331,506 | \$342,702 |
| Cemex USA - contract | 98,406 | 98,406 | 98,406 | \$1.9180 | \$2.0540 | \$2.1234 | \$188,743 | \$202,126 | \$208,955 |
| Cemex USA - tariff | 167,555 | 167,555 | 167,555 | \$3.4560 | \$3.7010 | \$3.8260 | \$579,070 | \$620,121 | \$641,065 |
| Public Authority - Small | 233,864 | 236,716 | 238,855 | \$3.4560 | \$3.7010 | \$3.8260 | \$808,234 | \$876,086 | \$913,859 |
| Public Authority - Large | 1,127,412 | 1,117,776 | 1,112,958 | \$3.4560 | \$3.7010 | \$3.8260 | \$3,896,336 | \$4,136,889 | \$4,258,177 |
| Construction | 214,188 | 214,188 | 214,188 | \$3.4560 | \$3.7010 | \$3.8260 | \$740,232 | \$792,708 | \$819,481 |
| Recycled - Contract | 277,647 | 277,647 | 277,647 | \$1.7332 | \$1.7332 | \$1.7332 | \$481,218 | \$481,218 | \$481,218 |
| Recycled - Tariff | 162,852 | 162,852 | 162,852 | \$2.5920 | \$2.7758 | \$2.8695 | \$422,111 | \$452,035 | \$467,302 |
| Total | 15,843,888 | 15,916,379 | 15,982,178 | | | | \$53,985,870 | \$58,047,567 | \$60,243,533 |

SERVICE CHARGE REVENUES

| Residential - Single Family | 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. | 23,311 | 23,501 | 23,690 | \$18.83 | \$20.07 | \$20.67 | \$5,266,006 | \$5,659,875 |
| 3/4-in. | 53 | 53 | 54 | \$28.24 | \$30.11 | \$31.00 | \$17,981 | \$19,328 | \$20,059 | |
| 1-in. | 19,221 | 19,378 | 19,534 | \$47.06 | \$50.18 | \$51.66 | \$10,854,725 | \$11,668,383 | \$12,109,309 | |
| 1-1/2-in. | 8 | 8 | 8 | \$94.13 | \$100.35 | \$103.33 | \$9,221 | \$9,910 | \$10,287 | |
| 2-in. | 6 | 6 | 6 | \$150.60 | \$160.60 | \$165.30 | \$11,064 | \$11,895 | \$12,342 | |
| Total | 42,600 | 42,946 | 43,292 | | | | \$16,158,998 | \$17,369,391 | \$18,026,617 | |

Source: Workpapers FRV1a, FRV1e, FRV2, FRV3a, FRV4, FRV4a, FRV4b

San Gabriel Valley Water Company
Fontana Water Company
ESTIMATED REVENUES at PROPOSED RATES
(continued)

D. 20-08-006 in A.19-01-001
Settlement Workpaper FRV5b

Residential - Multi-Family, 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. | 497 | 497 | 496 | \$18.83 | \$20.07 | \$20.67 | \$112,272 | \$119,697 |
| 3/4-in. | 5 | 5 | 5 | \$28.24 | \$30.11 | \$31.00 | \$1,694 | \$1,807 | \$1,860 |
| 1-in. | 225 | 225 | 224 | \$47.06 | \$50.18 | \$51.66 | \$127,062 | \$135,486 | \$138,862 |
| 1-1/2-in. | 163 | 163 | 163 | \$94.13 | \$100.35 | \$103.33 | \$184,118 | \$196,285 | \$202,113 |
| 2-in. | 44 | 44 | 44 | \$150.60 | \$160.60 | \$165.30 | \$79,517 | \$84,797 | \$87,278 |
| 3-in. | 3 | 3 | 3 | \$282.40 | \$301.10 | \$310.00 | \$10,166 | \$10,840 | \$11,160 |
| 2-2-in. | 2 | 2 | 2 | \$301.00 | \$321.00 | \$331.00 | \$7,224 | \$7,704 | \$7,944 |
| 3-2-in. | 1 | 1 | 1 | \$452.00 | \$482.00 | \$496.00 | \$5,424 | \$5,784 | \$5,952 |
| Total | 940 | 940 | 938 | | | | \$527,478 | \$562,399 | \$578,168 |

Residential - Multi-Family - 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 |
| | 1-1/2-in. | 17 | 17 | 17 | \$94.13 | \$100.35 | \$103.33 | \$19,203 | \$20,471 |
| 2-in. | 45 | 45 | 45 | \$150.60 | \$160.60 | \$165.30 | \$81,324 | \$86,724 | \$89,262 |
| 3-in. | 2 | 2 | 2 | \$282.40 | \$301.10 | \$310.00 | \$6,778 | \$7,226 | \$7,440 |
| 6-in. | 12 | 12 | 12 | \$940.00 | \$1,000.00 | \$1,030.00 | \$135,360 | \$144,000 | \$148,320 |
| 8-in. | 17 | 17 | 17 | \$1,510.00 | \$1,610.00 | \$1,650.00 | \$308,040 | \$328,440 | \$336,600 |
| 10-in. | 4 | 4 | 4 | \$2,160.00 | \$2,310.00 | \$2,380.00 | \$103,680 | \$110,880 | \$114,240 |
| 2-2-in. | 24 | 24 | 24 | \$301.00 | \$321.00 | \$331.00 | \$86,688 | \$92,448 | \$95,328 |
| 3-2-in. | 8 | 8 | 8 | \$452.00 | \$482.00 | \$496.00 | \$43,392 | \$46,272 | \$47,616 |
| 4-2-in. | 1 | 1 | 1 | \$602.00 | \$642.00 | \$661.00 | \$7,224 | \$7,704 | \$7,932 |
| Total | 130 | 130 | 130 | | | | \$791,688 | \$844,166 | \$867,817 |

Commercial - 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. | 784 | 794 | 805 | \$18.83 | \$20.07 | \$20.67 | \$177,106 | \$191,227 |
| 3/4-in. | 11 | 11 | 12 | \$28.24 | \$30.11 | \$31.00 | \$3,728 | \$3,975 | \$4,464 |
| 1-in. | 562 | 569 | 575 | \$47.06 | \$50.18 | \$51.66 | \$317,373 | \$342,629 | \$356,454 |
| 1-1/2-in. | 410 | 415 | 420 | \$94.13 | \$100.35 | \$103.33 | \$463,120 | \$499,743 | \$520,783 |
| 2-in. | 559 | 566 | 573 | \$150.60 | \$160.60 | \$165.30 | \$1,010,225 | \$1,090,795 | \$1,136,603 |
| 3-in. | 1 | 1 | 1 | \$282.40 | \$301.10 | \$310.00 | \$3,389 | \$3,613 | \$3,720 |
| 6-in. | 3 | 3 | 3 | \$940.00 | \$1,030.00 | \$1,030.00 | \$33,840 | \$36,000 | \$37,080 |
| 2-2-in. | 13 | 14 | 14 | \$301.00 | \$321.00 | \$331.00 | \$46,956 | \$53,928 | \$55,608 |
| 3-2-in. | 13 | 14 | 14 | \$452.00 | \$482.00 | \$496.00 | \$70,512 | \$80,976 | \$83,328 |
| 2-4-in. | 1 | 1 | 1 | \$941.00 | \$1,004.00 | \$1,033.00 | \$11,292 | \$12,048 | \$12,396 |
| Total | 2,357 | 2,388 | 2,418 | | | | \$2,137,539 | \$2,314,934 | \$2,410,060 |

Source: Workpapers FRV1a, FRV1b, and FRV4a

**San Gabriel Valley Water Company
Fontana Water Company
ESTIMATED REVENUES at PROPOSED RATES**
(continued)

D. 20-08-006 in A.19-01-001
Settlement Workpaper FRV5c

| 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. | 2 | 2 | 2 | \$18.83 | \$20.07 | \$20.67 | \$452 | \$482 | \$496 |
| 3/4-in. | 1 | 1 | 1 | \$28.24 | \$30.11 | \$31.00 | \$339 | \$361 | \$372 |
| 1-in. | 16 | 16 | 16 | \$47.06 | \$50.18 | \$51.66 | \$9,036 | \$9,635 | \$9,919 |
| 1-1/2-in. | 65 | 66 | 66 | \$94.13 | \$100.35 | \$103.33 | \$73,421 | \$79,477 | \$81,837 |
| 2-in. | 237 | 238 | 240 | \$150.60 | \$160.60 | \$165.30 | \$428,306 | \$458,674 | \$476,064 |
| 3-in. | 1 | 1 | 1 | \$282.40 | \$301.10 | \$310.00 | \$3,389 | \$3,613 | \$3,720 |
| 6-in. | 1 | 1 | 1 | \$940.00 | \$1,000.00 | \$1,030.00 | \$11,280 | \$12,000 | \$12,360 |
| 10-in. | 3 | 3 | 3 | \$2,160.00 | \$2,310.00 | \$2,380.00 | \$77,760 | \$83,160 | \$85,680 |
| 2-2-in. | 18 | 19 | 19 | \$301.00 | \$321.00 | \$331.00 | \$65,016 | \$73,188 | \$75,468 |
| 3-2-in. | 6 | 6 | 6 | \$452.00 | \$482.00 | \$496.00 | \$32,544 | \$34,704 | \$35,712 |
| 4-2-in. | 3 | 3 | 3 | \$602.00 | \$642.00 | \$661.00 | \$21,672 | \$23,112 | \$23,796 |
| 2-4-in. | 1 | 1 | 1 | \$941.00 | \$1,004.00 | \$1,033.00 | \$11,292 | \$12,048 | \$12,396 |
| Total | 354 | 357 | 359 | | | | \$734,507 | \$790,454 | \$817,820 |

| 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. | 11 | 11 | 10 | \$18.83 | \$20.07 | \$20.67 | \$2,485 | \$2,649 | \$2,480 |
| 1-in. | 4 | 4 | 4 | \$47.06 | \$50.18 | \$51.66 | \$2,259 | \$2,409 | \$2,480 |
| 1-1/2-in. | 7 | 7 | 7 | \$94.13 | \$100.35 | \$103.33 | \$7,907 | \$8,429 | \$8,680 |
| 2-in. | 12 | 12 | 12 | \$150.60 | \$160.60 | \$165.30 | \$21,686 | \$23,126 | \$23,803 |
| Total | 34 | 34 | 33 | | | | \$34,337 | \$36,614 | \$37,442 |

| 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 |
| 1-1/2-in. | 3 | 3 | 3 | \$94.13 | \$100.35 | \$103.33 | \$3,389 | \$3,613 | \$3,720 |
| 2-in. | 19 | 20 | 17 | \$150.60 | \$160.60 | \$165.30 | \$34,337 | \$38,544 | \$33,721 |
| 3-in. | 1 | 1 | 1 | \$282.40 | \$301.10 | \$310.00 | \$3,389 | \$3,613 | \$3,720 |
| 6-in. | 1 | 1 | 1 | \$940.00 | \$1,000.00 | \$1,030.00 | \$11,280 | \$12,000 | \$12,360 |
| 10-in. | 0 | 0 | 0 | \$2,160.00 | \$2,310.00 | \$2,380.00 | \$0 | \$0 | \$0 |
| 12-in. | 0 | 0 | 0 | \$3,110.00 | \$3,310.00 | \$3,410.00 | \$0 | \$0 | \$0 |
| 2-2-in. | 4 | 4 | 4 | \$301.00 | \$321.00 | \$331.00 | \$14,448 | \$15,408 | \$15,888 |
| 3-2-in. | 2 | 2 | 2 | \$452.00 | \$482.00 | \$496.00 | \$10,848 | \$11,568 | \$11,904 |
| 4-2-in. | 0 | 0 | 0 | \$602.00 | \$642.00 | \$661.00 | \$0 | \$0 | \$0 |
| 2-3-in. | 1 | 1 | 1 | \$565.00 | \$602.00 | \$620.00 | \$6,780 | \$7,224 | \$7,440 |
| Total | 31 | 32 | 29 | | | | \$84,470 | \$91,970 | \$88,753 |

| Recycled Water | | | | Monthly Service Charges | | | Revenues | | |
|-----------------------|-----------------------|-----------|-----------|--------------------------------|-----------|-----------|------------------|------------------|------------------|
| Meter Size | Avg. No. of Customers | | | 2020-2021 | 2021-2022 | 2022-2023 | 2020-2021 | 2021-2022 | 2022-2023 |
| 1-in. | 1 | 1 | 1 | \$47.06 | \$50.18 | \$51.66 | \$565 | \$602 | \$620 |
| 1-1/2-in. | 9 | 9 | 9 | \$94.13 | \$100.35 | \$103.33 | \$10,166 | \$10,838 | \$11,160 |
| 2-in. | 63 | 63 | 63 | \$150.60 | \$160.60 | \$165.30 | \$113,854 | \$121,414 | \$124,967 |
| 3-in. | 2 | 2 | 2 | \$282.40 | \$301.10 | \$310.00 | \$6,778 | \$7,226 | \$7,440 |
| 2-2-in. | 9 | 9 | 9 | \$301.00 | \$321.00 | \$331.00 | \$32,508 | \$34,668 | \$35,748 |
| 3-2-in. | 4 | 4 | 4 | \$452.00 | \$482.00 | \$496.00 | \$21,696 | \$23,136 | \$23,808 |
| 4-2-in. | 1 | 1 | 1 | \$602.00 | \$642.00 | \$661.00 | \$7,224 | \$7,704 | \$7,932 |
| 5-2-in. | 2 | 2 | 2 | \$753.00 | \$803.00 | \$827.00 | \$18,072 | \$19,272 | \$19,848 |
| Total | 91 | 91 | 91 | | | | \$210,862 | \$224,860 | \$231,522 |

Source: Workpapers FRV1b, FRV1c, FRV1d, FRV4a

**San Gabriel Valley Water Company
Fontana Water Company
ESTIMATED REVENUES at PROPOSED RATES**
(continued)

D.20-08-006 in A.19-01-001
Settlement Workpaper FRV5d

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. | 15 | 16 | 16 | \$18.83 | \$20.07 | \$20.67 | \$3,389 | \$3,853 |
| 3/4-in. | 3 | 3 | 3 | \$28.24 | \$30.11 | \$31.00 | \$1,017 | \$1,084 | \$1,116 |
| 1-in. | 87 | 88 | 89 | \$47.06 | \$50.18 | \$51.66 | \$49,131 | \$52,990 | \$55,173 |
| 1-1/2-in. | 90 | 91 | 92 | \$94.13 | \$100.35 | \$103.33 | \$101,660 | \$109,582 | \$114,076 |
| 2-in. | 124 | 124 | 126 | \$150.60 | \$160.60 | \$165.30 | \$224,093 | \$238,973 | \$249,934 |
| 3-in. | 2 | 2 | 2 | \$282.40 | \$301.10 | \$310.00 | \$6,778 | \$7,226 | \$7,440 |
| 2-2-in. | 7 | 7 | 7 | \$301.00 | \$321.00 | \$331.00 | \$25,284 | \$26,964 | \$27,804 |
| 3-2-in. | 1 | 1 | 1 | \$452.00 | \$482.00 | \$496.00 | \$5,424 | \$5,784 | \$5,952 |
| Total | 329 | 332 | 336 | | | | \$416,775 | \$446,457 | \$465,462 |

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 | \$18.83 | \$20.07 | \$20.67 | \$452 | \$482 |
| 1-in. | 3 | 2 | 2 | \$47.06 | \$50.18 | \$51.66 | \$1,694 | \$1,204 | \$1,240 |
| 1-1/2-in. | 13 | 12 | 12 | \$94.13 | \$100.35 | \$103.33 | \$14,684 | \$14,450 | \$14,880 |
| 2-in. | 151 | 150 | 149 | \$150.60 | \$160.60 | \$165.30 | \$272,887 | \$289,080 | \$295,556 |
| 3-in. | 3 | 2 | 2 | \$282.40 | \$301.10 | \$310.00 | \$10,166 | \$7,226 | \$7,440 |
| 4-in. | 1 | 1 | 1 | \$470.60 | \$501.80 | \$516.60 | \$5,647 | \$6,022 | \$6,199 |
| 2-2-in. | 41 | 41 | 41 | \$301.00 | \$321.00 | \$331.00 | \$148,092 | \$157,932 | \$162,852 |
| 3-2-in. | 15 | 15 | 15 | \$452.00 | \$482.00 | \$496.00 | \$81,360 | \$86,760 | \$89,280 |
| 4-2-in. | 7 | 7 | 7 | \$602.00 | \$642.00 | \$661.00 | \$50,568 | \$53,928 | \$55,524 |
| Total | 236 | 232 | 231 | | | | \$585,551 | \$617,084 | \$633,467 |

CSI, Niagara & Cemex

| | No. of Meters | | | Monthly Service Charges | | | Service Charge Revenues | | |
|------------------|-----------------------------|-----------|-----------|-------------------------|------------|------------|-------------------------|-----------|-----------|
| | 2020-2021 | 2021-2022 | 2022-2023 | 2020-2021 | 2021-2022 | 2022-2023 | 2020-2021 | 2021-2022 | 2022-2023 |
| | California Steel Industries | | | | | | | | |
| 10" meters | 3 | 3 | 3 | \$2,160.00 | \$2,310.00 | \$2,380.00 | \$77,760 | \$83,160 | \$85,680 |
| 2-2" meters | 1 | 1 | 1 | \$301.00 | \$321.00 | \$331.00 | \$3,612 | \$3,852 | \$3,972 |
| | 4 | 4 | 4 | | | | \$81,372 | \$87,012 | \$89,652 |
| Niagara Bottling | | | | | | | | | |
| 12" meter | 1 | 1 | 1 | \$3,110.00 | \$3,310.00 | \$3,410.00 | \$37,320 | \$39,720 | \$40,920 |
| 4-2" meters | 1 | 1 | 1 | \$602.00 | \$642.00 | \$661.00 | \$7,224 | \$7,704 | \$7,932 |
| | 2 | 2 | 2 | | | | \$44,544 | \$47,424 | \$48,852 |
| Cemex USA (10") | 1 | 1 | 1 | \$2,160.00 | \$2,310.00 | \$2,380.00 | \$25,920 | \$27,720 | \$28,560 |

Private Fire Protection

| Average 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 |
| | 7.79 Jun 2018 | 1,099 | 1,129 | 1,158 | \$12.62 | \$13.45 | \$13.85 | \$1,296,510 | \$1,419,498 |

Source: Workpapers FRV1, FRV1c, FRV1d, FRV3d, FRV4a

TABLE 7C-2

San Gabriel Valley Water Company
Fontana Water Company
**COMPUTATION OF TAXES ON INCOME
AT PROPOSED RATES**

(Dollars in Thousands)

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

| | Test Year | Escalation Years | |
|--|-------------|------------------|------------|
| | 2020-2021 | 2021-2022 | 2022-2023 |
| <u>Operating Revenues</u> | \$77,593.6 | \$83,404.7 | \$86,544.2 |
| <u>Deductions</u> | | | |
| Operating Expenses, excluding Depreciation & Income Taxes | \$51,745.5 | \$52,772.4 | \$53,825.8 |
| Interest Expense | \$4,309.5 | \$4,648.2 | \$4,648.2 |
| Subtotal | \$56,055.0 | \$57,420.6 | \$58,474.0 |
| <u>State Tax Calculation</u> | | | |
| Taxable Income Before Other Deductions | \$21,538.6 | \$25,984.1 | \$28,070.2 |
| Less: Depreciation-State | \$14,228.1 | \$16,516.8 | \$18,805.5 |
| Less: Repair Regulations Deduction | \$1,512.5 | \$1,629.8 | \$1,644.9 |
| State Taxable Income | \$5,798.1 | \$7,837.5 | \$7,619.8 |
| State Corporate Franchise Tax at 8.84% | \$512.5 | \$692.8 | \$673.6 |
| Amortization of AIAC/CIAC Tax | \$104.4 | \$104.9 | \$105.1 |
| Total State Income Tax Expense | \$617.0 | \$797.7 | \$778.7 |
| <u>Federal Tax Calculation</u> | | | |
| Taxable Income Before Other Deductions | \$21,538.6 | \$25,984.1 | \$28,070.2 |
| Less: Depreciation-Federal (book) | \$8,686.4 | \$9,260.0 | \$9,833.6 |
| Less: State Corp. Franchise Tax - Prior Year | \$631.0 | \$617.0 | \$797.7 |
| Federal Taxable Income | \$12,221.2 | \$16,107.1 | \$17,438.8 |
| Federal Tax at 21% | \$2,566.5 | \$3,382.5 | \$3,662.2 |
| Amortization of AIAC/CIAC Tax | \$226.1 | \$227.1 | \$227.5 |
| Amortization of EDIT | (\$256.5) | (\$256.5) | (\$256.5) |
| Amortization of EDIT (Jan. 2018 - Jun. 2020) | (\$1,959.2) | \$0.0 | \$0.0 |
| Total Federal Income Tax Expense | \$576.9 | \$3,353.1 | \$3,633.2 |

TABLE 8C

**San Gabriel Valley Water Company
Fontana Water Company
UTILITY PLANT**

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

(Dollars in Thousands)

Forecasted Year-End Balances

| <u>Plant Account</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|---------------------------------|-------------|-------------|-------------|-------------|
| 301 - Organization | \$2.3 | \$2.3 | \$2.3 | \$2.3 |
| 302 - Franchises | \$2.1 | \$2.1 | \$2.1 | \$2.1 |
| 303 - Water Rights | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| 306 - Land and Land Rights | \$9,698.9 | \$10,694.8 | \$10,694.8 | \$10,694.8 |
| 315 - Wells | \$9,948.5 | \$9,948.5 | \$9,948.5 | \$9,948.5 |
| 321 - Pumping Structures | \$20,630.8 | \$23,380.8 | \$23,380.8 | \$23,380.8 |
| 324 - Pumping Equipment | \$48,242.0 | \$50,475.0 | \$51,448.0 | \$52,292.0 |
| 331 - Treatment Structures | \$6,720.8 | \$6,720.8 | \$8,033.8 | \$8,493.8 |
| 332 - Treatment Equipment | \$35,724.9 | \$35,724.9 | \$39,773.9 | \$47,516.9 |
| 342 - Reservoirs | \$26,517.7 | \$28,517.7 | \$33,509.7 | \$35,742.7 |
| 343 - Mains | \$164,681.4 | \$174,633.5 | \$182,746.5 | \$191,179.6 |
| 344 - Fire Mains | \$0.8 | \$0.8 | \$0.8 | \$0.8 |
| 345 - Services | \$48,764.7 | \$51,360.1 | \$54,205.5 | \$57,300.9 |
| 345A- Fire Services | \$14,068.3 | \$14,068.3 | \$14,068.3 | \$14,068.3 |
| 346 - Meters | \$1,813.6 | \$2,665.6 | \$3,517.6 | \$4,369.6 |
| 348 - Fire Hydrants | \$12,275.3 | \$12,491.1 | \$12,726.8 | \$12,982.5 |
| 371 - Structures & Improvements | \$11,805.6 | \$11,931.6 | \$12,381.6 | \$12,724.6 |
| 372 - Office Equipment | \$3,808.7 | \$4,208.3 | \$4,627.9 | \$5,062.5 |
| 373 - Transportation Equipment | \$3,557.7 | \$3,589.9 | \$3,647.1 | \$3,774.2 |
| 376 - Communication Equipment | \$454.2 | \$524.2 | \$594.2 | \$664.2 |
| 378 - Tools & Equipment | \$1,324.0 | \$1,452.1 | \$1,580.2 | \$1,648.3 |
| Total Plant in Service | \$420,042.4 | \$442,392.4 | \$466,890.4 | \$491,849.5 |
| Construction Work in Progress | \$7,072.1 | \$7,072.1 | \$7,072.1 | \$7,072.1 |
| Total | \$427,114.5 | \$449,464.5 | \$473,962.6 | \$498,921.6 |

Aug. Plant - E.Y. '21-'22
Aug. Plant - E.Y. '22-'23

*Avg: \$461,713.6
B.O.Y. Plant - E.Y. '21-'22*

*Avg: \$486,442.1
B.O.Y. Plant - E.Y. '22-'23*

Forecasted Average Year Balances

| <u>Estimated</u> | <u>Test Year</u> | <u>Test Year</u> |
|------------------|------------------|------------------|
| <u>2019</u> | <u>2020-2021</u> | <u>2021-2022</u> |
| Total | \$414,398.1 | \$473,962.6 |

ADVICE LETTER NO. 569

SAN GABRIEL VALLEY WATER COMPANY
Fontana Water Company Division
Purchased Power Expenses

AL 569 Workpaper
 P. 4

| | ADOPTED COSTS AL 552-A | PRESENT COSTS AL 569 | INCREASE / (DECREASE) |
|---------------------------|------------------------------|----------------------------|--------------------------|
| <u>Schedule TOU-GS-1</u> | | | |
| Energy in kWh | 37,126 | 37,126 | - |
| Cost per kWh | \$0.160791 | \$0.240315 | \$0.079524 |
| Annual Expense | \$5,970 | \$8,922 | \$2,952 |
| <u>Schedule TOU-GS-3</u> | | | |
| Energy in kWh | 1,226,187 | 1,226,187 | - |
| Cost per kWh | \$0.206801 | \$0.267248 | \$0.060447 |
| Annual Expense | \$253,577 | \$327,697 | \$74,119 |
| <u>Schedule TOU-8</u> | | | |
| Energy in kWh | 17,317,921 | 17,317,921 | - |
| Cost per kWh | \$0.162066 | \$0.218503 | \$0.056437 |
| Annual Expense | \$2,806,639 | \$3,784,021 | \$977,381 |
| <u>Schedule TOU-PA-2</u> | | | |
| Energy in kWh | 4,645,290 | 4,645,290 | - |
| Cost per kWh | \$0.109506 | \$0.169549 | \$0.060043 |
| Annual Expense | \$508,685 | \$787,605 | \$278,920 |
| <u>Schedule TOU-PA-3</u> | | | |
| Energy in kWh | 9,396,369 | 9,396,369 | - |
| Cost per kWh | \$0.115609 | \$0.175296 | \$0.059687 |
| Annual Expense | \$1,086,303 | \$1,647,145 | \$560,841 |
| TOTAL POWER COSTS | | | |
| Energy in kWh | 32,622,893 | 32,622,893 | - |
| Cost per kWh | \$0.142880 | \$0.200944 | \$0.058064 |
| Annual Expense | \$4,661,175 | \$6,555,389 | \$1,894,214 |
| Account 726-03 | \$4,678,491 | \$6,568,213 | \$1,889,722 |
| Account 742-03 (Sandhill) | (\$17,316) | (\$12,824) | \$4,492 |
| | \$4,661,175 | \$6,555,389 | \$1,894,214 |

**SAN GABRIEL VALLEY WATER COMPANY
FONTANA WATER COMPANY DIVISION
WATER COST SUMMARY**

AL 572-A workpaper
P. 3

| | ADOPTED - AL 557 | | | PROPOSED - AL 572-A | | |
|---|--------------------|--------------------|-------------------------------|----------------------------|-------------------------------|----------------------------|
| | Quantity Basis | | Unit Costs | Total Cost / Assessment | Unit Costs | Total Cost / Assessment |
| | Production (AF) | Other Acre-Feet | | | | |
| <u>Chino Basin Wells</u> | | | | | | |
| Replenishment Assessment | 9,429.5 | | \$767.00 | \$7,232,450 | \$811.00 | \$7,647,349 |
| Administrative Assessment | | 17,626.5 AF | \$21.20 | \$373,682 | \$22.27 | \$392,543 |
| OBMP Assessment | | 17,626.5 AF | \$60.80 | \$1,071,691 | \$48.25 | \$850,480 |
| Appropriative Pool & 85/15 Assessment | | 17,626.5 AF | \$14.23 | \$250,825 | \$10.26 | \$180,929 |
| Desalter Replenishment Obligation | | 597.0 AF | \$580.00 | \$346,260 | \$580.00 | \$346,260 |
| Land Use Conversion Assessment | 696.0 | | \$29.38 | \$20,448 | \$24.71 | \$17,198 |
| Appropriative Rights | 1.0 | | \$0.00 | \$0 | \$0.00 | \$0 |
| Leases | 7,500.0 | | \$559.44 | \$4,195,800 | \$575.28 | \$4,314,600 |
| Total - Chino Basin Wells | 17,626.5 | | | \$13,491,158 | | \$13,749,360 |
| <u>Lytle Creek Surface & Groundwater (SBBA)</u> | | | | | | |
| FWC Share | 3,795.0 | | \$0.00 | \$0 | \$0.00 | \$0 |
| CVWD Share | 1,705.0 | | \$559.44 | \$953,845 | \$575.28 | \$980,852 |
| SBBA Assessment | 0.0 | 5,500.0 AF | \$0.00 | \$0 | \$0.00 | \$0 |
| Total - Lytle Creek Surface & Groundwater | 5,500.0 | | | \$953,845 | | \$980,852 |
| <u>Rialto & No-Man's Basin Wells</u> | | | | | | |
| FWC Share | 4,485.0 | | \$0.00 | \$0 | \$0.00 | \$0 |
| CVWD Share | 2,015.0 | | \$559.44 | \$1,127,272 | \$575.28 | \$1,159,189 |
| Leases and Assessment(s) | 0.0 | | \$0.00 | \$0 | \$0.00 | \$0 |
| Total - Rialto & No-Man's Basin Wells | 6,500.0 | | | \$1,127,272 | | \$1,159,189 |
| <u>Other Sources of Supply</u> | | | | | | |
| SWP Purchases - IEUA | 9,000.0 | | \$777.00 | \$6,993,000 | \$799.00 | \$7,191,000 |
| SWP Purchases - SBVMWD | 0.0 | | \$125.80 | \$0 | \$125.80 | \$0 |
| CVWD Interconnection | 0.0 | | \$515.00 | \$0 | \$515.00 | \$0 |
| Recycled Water | 1,011.2 | | \$490.00 | \$495,498 | \$520.00 | \$525,834 |
| Total - Purchased Water | 10,011.2 | | | \$7,488,498 | | \$7,716,834 |
| <u>Other Charges</u> | | | | | | |
| IEUA Meter Equivalent Unit Rate (MEU) | | 81,314.0 MEUs | \$12.48 | \$1,014,799 | \$12.96 | \$1,053,829 |
| IEUA Readiness to Serve Charge (RTS) | | Monthly | \$24,002.53 | \$288,030 | \$34,822.37 | \$417,868 |
| IEUA Monthly Capacity Charge | | Monthly | \$14,886.67 | \$178,640 | \$20,638.33 | \$247,660 |
| Water Stock Assessments (shares) | | 6,055.1 Shares | \$110.00 | \$666,061 | \$190.00 | \$1,150,469 |
| Other Assessment(s) | 0.0 | | \$0.00 | \$0 | \$0.00 | \$0 |
| Total - Other | 0.0 | | | \$2,147,530 | | \$2,869,827 |
| Total Water Supply | 39,637.8 | | | \$25,208,303 | | \$26,476,063 |
| Composite Cost | | | \$635.97 per Acre-Foot | | \$667.95 per Acre-Foot | |

SAN GABRIEL VALLEY WATER COMPANY
 FONTANA WATER COMPANY DIVISION
 Summary of Earnings

AL 572-A Workpaper
 p. 4

| | Adopted | Pending AL 571-A | | AL 572-A | |
|------------------------------------|-------------------------|-----------------------------------|-------------|-----------------------------------|-------------|
| | AL 569 Eff. 1/1/2022 | Effective 1/1/2022 Inc./(Dec.) | Proposed | Effective 1/1/2022 Inc./(Dec.) | Proposed |
| Operating Revenues | \$86,908.7 | \$130.6 | \$87,039.3 | \$1,278.5 | \$88,317.8 |
| Operating Expenses | | | | | |
| Purchased Water & Assessments | \$25,323.6 | \$0.0 | \$25,323.6 | \$1,267.8 | \$26,591.4 |
| Purchased Power | \$6,576.7 | (\$0.0) | \$6,576.7 | | \$6,576.7 |
| Chemicals | \$743.2 | \$10.7 | \$753.9 | | \$753.9 |
| Payroll | \$6,532.4 | (\$9.5) | \$6,522.8 | | \$6,522.8 |
| Materials & Supplies | \$1,072.6 | \$15.5 | \$1,088.1 | | \$1,088.1 |
| Transportation | \$900.7 | \$13.0 | \$913.7 | | \$913.7 |
| Insurance | \$1,318.4 | \$19.0 | \$1,337.5 | | \$1,337.5 |
| Pensions & Benefits | \$2,999.1 | (\$4.4) | \$2,994.7 | | \$2,994.7 |
| Uncollectibles @ 0.1918% | \$165.8 | \$0.3 | \$166.1 | \$2.5 | \$168.5 |
| Franchise Fees @ 0.6483% | \$560.3 | \$0.9 | \$561.1 | \$8.3 | \$569.4 |
| Regulatory Commission Expense | \$430.8 | \$6.2 | \$437.0 | | \$437.0 |
| Outside Services | \$1,367.6 | \$0.0 | \$1,367.6 | | \$1,367.6 |
| Utilities & Rents | \$123.2 | \$1.8 | \$125.0 | | \$125.0 |
| Miscellaneous Expense | \$661.6 | \$9.6 | \$671.1 | | \$671.1 |
| Administrative Expense Transferred | (\$2,003.2) | (\$28.9) | (\$2,032.2) | | (\$2,032.2) |
| Subtotal | \$46,772.7 | \$34.1 | \$46,806.8 | \$1,278.5 | \$48,085.3 |
| Allocated Common Expenses | \$6,723.0 | \$97.1 | \$6,820.1 | | \$6,820.1 |
| Total Operating Expense | \$53,495.7 | \$131.2 | \$53,626.9 | \$1,278.5 | \$54,905.4 |
| Depreciation | \$9,072.8 | \$0.0 | \$9,072.8 | | \$9,072.8 |
| Ad Valorem Taxes | \$2,139.0 | \$0.0 | \$2,139.0 | | \$2,139.0 |
| Payroll Taxes | \$906.4 | (\$1.3) | \$905.1 | | \$905.1 |
| Total Expense before Income Taxes | \$65,613.8 | \$129.9 | \$65,743.8 | \$1,278.5 | \$67,022.3 |
| Net Revenue Before Income Taxes | \$21,294.8 | \$0.7 | \$21,295.5 | \$0.0 | \$21,295.5 |
| State Income Tax | \$781.0 | \$0.1 | \$781.0 | | \$781.0 |
| Federal Income Tax | \$3,569.8 | \$0.2 | \$3,570.0 | | \$3,570.0 |
| Total Expenses | \$69,964.6 | \$130.1 | \$70,094.8 | \$1,278.5 | \$71,373.3 |
| Net Operating Revenues | \$16,944.0 | \$0.5 | \$16,944.5 | \$0.0 | \$16,944.5 |
| Rate Base | \$208,798.0 | \$0.0 | \$208,798.0 | | \$208,798.0 |
| Rate of Return | 8.12% | | 8.12% | | 8.12% |

Year 2021

| Sum of Customer Count Row Labels | Column Labels | | | | | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--|
| | 4 F | 5 F | 6 F | 7 F | 8 F | 9 F | 10 F | 11 F | 12 F | |
| Commercial | 2,762 | 2,765 | 2,776 | 2,774 | 2,783 | 2,791 | 2,796 | 2,796 | 2,798 | |
| Large | 368 | 368 | 368 | 368 | 368 | 368 | 368 | 368 | 368 | |
| Small | 2,394 | 2,397 | 2,408 | 2,406 | 2,415 | 2,423 | 2,428 | 2,428 | 2,430 | |
| Construction | 80 | 78 | 77 | 81 | 82 | 84 | 83 | 80 | 85 | |
| Large | 80 | 78 | 77 | 81 | 82 | 84 | 83 | 80 | 85 | |
| Industrial | 67 | 66 | 66 | 66 | 65 | 65 | 65 | 65 | 65 | |
| Large | 35 | 35 | 35 | 35 | 34 | 34 | 34 | 34 | 34 | |
| Small | 32 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 | |
| Industrial - Cal Steel | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | |
| Large | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | |
| Industrial - CEMEX | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Large | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Industrial - CEMEX Contract | | | | | | | | | | |
| Large | | | | | | | | | | |
| Industrial - Niagara | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | |
| Large | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | |
| Multi-family Residential | 1,090 | 1,089 | 1,090 | 1,090 | 1,085 | 1,087 | 1,088 | 1,085 | 1,086 | |
| Large | 132 | 132 | 132 | 132 | 132 | 132 | 132 | 132 | 132 | |
| Small | 958 | 957 | 958 | 958 | 953 | 955 | 956 | 953 | 954 | |
| Private Fire Service | 1,131 | 1,134 | 1,137 | 1,137 | 1,138 | 1,142 | 1,143 | 1,148 | 1,151 | |
| Large | 1,131 | 1,134 | 1,137 | 1,137 | 1,138 | 1,142 | 1,143 | 1,148 | 1,151 | |
| Public Authority | 609 | 609 | 609 | 611 | 613 | 614 | 614 | 614 | 614 | |
| Large | 278 | 278 | 278 | 278 | 278 | 278 | 278 | 278 | 278 | |
| Small | 331 | 331 | 331 | 333 | 335 | 336 | 336 | 336 | 336 | |
| Recycled | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | |
| Large | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | |
| Residential | 42,571 | 42,593 | 42,584 | 42,595 | 42,593 | 42,621 | 42,626 | 42,627 | 42,619 | |
| Small | 42,571 | 42,593 | 42,584 | 42,595 | 42,593 | 42,621 | 42,626 | 42,627 | 42,619 | |
| Grand Total | 48,346 | 48,370 | 48,375 | 48,390 | 48,395 | 48,440 | 48,451 | 48,451 | 48,454 | |

Year 2022

| Sum of Customer Count Row Labels | Column Labels | | |
|-------------------------------------|---------------|---------------|---------------|
| | 1 F | 2 F | 3 F |
| Commercial | 2,799 | 2,804 | 2,809 |
| Large | 368 | 368 | 368 |
| Small | 2,431 | 2,436 | 2,441 |
| Construction | 85 | 84 | 88 |
| Large | 85 | 84 | 88 |
| Industrial | 64 | 64 | 65 |
| Large | 34 | 34 | 34 |
| Small | 30 | 30 | 31 |
| Industrial - Cal Steel | 4 | 4 | 4 |
| Large | 4 | 4 | 4 |
| Industrial - CEMEX | 1 | 1 | 1 |
| Large | 1 | 1 | 1 |
| Industrial - CEMEX Contract | | | |
| Large | | | |
| Industrial - Niagara | 2 | 2 | 2 |
| Large | 2 | 2 | 2 |
| Multi-family Residential | 1,086 | 1,087 | 1,088 |
| Large | 132 | 132 | 132 |
| Small | 954 | 955 | 956 |
| Private Fire Service | 1,152 | 1,157 | 1,158 |
| Large | 1,152 | 1,157 | 1,158 |
| Public Authority | 615 | 616 | 616 |
| Large | 278 | 278 | 278 |
| Small | 337 | 338 | 338 |
| Recycled | 29 | 29 | 29 |
| Large | 29 | 29 | 29 |
| Residential | 42,616 | 42,631 | 42,616 |
| Small | 42,616 | 42,631 | 42,616 |
| Grand Total | 48,453 | 48,479 | 48,476 |

Year 2021

| Sum of Consumption Row Labels | Column Labels | | | | | | | | | |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--|
| | 4 F | 5 F | 6 F | 7 F | 8 F | 9 F | 10 F | 11 F | 12 F | |
| Commercial | 229,362 | 251,662 | 263,308 | 321,096 | 298,804 | 324,935 | 277,252 | 239,908 | 224,932 | |
| Large | 99,088 | 110,975 | 114,458 | 143,419 | 130,895 | 142,479 | 113,817 | 103,187 | 86,285 | |
| Small | 130,274 | 140,687 | 148,850 | 177,677 | 167,909 | 182,456 | 163,435 | 136,721 | 138,647 | |
| Construction | 10,306 | 14,884 | 7,534 | 6,322 | 6,060 | 4,714 | 5,355 | 6,278 | 14,891 | |
| Large | 10,306 | 14,884 | 7,534 | 6,322 | 6,060 | 4,714 | 5,355 | 6,278 | 14,891 | |
| Industrial | 40,189 | 36,749 | 35,886 | 40,679 | 41,073 | 56,890 | 52,773 | 60,091 | 37,637 | |
| Large | 38,828 | 35,317 | 34,049 | 38,668 | 39,257 | 54,790 | 51,194 | 58,743 | 36,579 | |
| Small | 1,361 | 1,432 | 1,837 | 2,011 | 1,816 | 2,100 | 1,579 | 1,348 | 1,058 | |
| Industrial - Cal Steel | 4,238 | 7,198 | 8,881 | 11,599 | 19,043 | 35,960 | 37,962 | 31,760 | 5,564 | |
| Large | 4,238 | 7,198 | 8,881 | 11,599 | 19,043 | 35,960 | 37,962 | 31,760 | 5,564 | |
| Industrial - CEMEX | 21,308 | 28,135 | 28,134 | 25,855 | 25,906 | 28,021 | 23,366 | 25,561 | 21,779 | |
| Large | 21,308 | 28,135 | 28,134 | 25,855 | 25,906 | 28,021 | 23,366 | 25,561 | 21,779 | |
| Industrial - CEMEX Contract | | | | | | | | | | |
| Large | | | | | | | | | | |
| Industrial - Niagara | 67,951 | 65,094 | 66,177 | 79,002 | 73,788 | 81,247 | 70,343 | 69,271 | 58,773 | |
| Large | 67,951 | 65,094 | 66,177 | 79,002 | 73,788 | 81,247 | 70,343 | 69,271 | 58,773 | |
| Multi-family Residential | 127,812 | 122,240 | 127,363 | 153,335 | 136,329 | 151,002 | 131,392 | 121,064 | 106,567 | |
| Large | 87,418 | 80,616 | 85,694 | 101,296 | 88,233 | 98,825 | 85,301 | 83,734 | 68,040 | |
| Small | 40,394 | 41,624 | 41,669 | 52,039 | 48,096 | 52,177 | 46,091 | 37,330 | 38,527 | |
| Private Fire Service | | | | | | | | | | |
| Large | | | | | | | | | | |
| Public Authority | 131,534 | 152,160 | 165,381 | 208,095 | 188,229 | 190,881 | 142,429 | 110,710 | 76,719 | |
| Large | 109,955 | 123,110 | 134,373 | 169,252 | 150,386 | 153,387 | 113,974 | 91,546 | 56,903 | |
| Small | 21,579 | 29,050 | 31,008 | 38,843 | 37,843 | 37,494 | 28,455 | 19,164 | 19,816 | |
| Recycled | 13,487 | 15,555 | 19,751 | 23,474 | 19,190 | 20,104 | 10,006 | 11,804 | 3,552 | |
| Large | 13,487 | 15,555 | 19,751 | 23,474 | 19,190 | 20,104 | 10,006 | 11,804 | 3,552 | |
| Residential | 621,236 | 716,832 | 748,370 | 913,669 | 849,627 | 873,170 | 753,205 | 581,803 | 621,992 | |
| Small | 621,236 | 716,832 | 748,370 | 913,669 | 849,627 | 873,170 | 753,205 | 581,803 | 621,992 | |
| Grand Total | 1,267,423 | 1,410,509 | 1,470,785 | 1,783,126 | 1,658,049 | 1,766,924 | 1,504,083 | 1,258,250 | 1,172,406 | |

Year 2022

| Sum of Consumption Row Labels | Column Labels | | |
|------------------------------------|----------------|------------------|------------------|
| | 1 F | 2 F | 3 F |
| Commercial | 157,284 | 207,257 | 225,630 |
| Large | 56,964 | 86,248 | 95,954 |
| Small | 100,320 | 121,009 | 129,676 |
| Construction | 3,565 | 14,173 | 9,470 |
| Large | 3,565 | 14,173 | 9,470 |
| Industrial | 38,254 | 43,728 | 43,320 |
| Large | 37,351 | 42,602 | 42,123 |
| Small | 903 | 1,126 | 1,197 |
| Industrial - Cal Steel | 8,117 | 7,976 | 12,039 |
| Large | 8,117 | 7,976 | 12,039 |
| Industrial - CEMEX | 20,626 | 24,722 | 31,151 |
| Large | 20,626 | 24,722 | 31,151 |
| Industrial - CEMEX Contract | | | |
| Large | | | |
| Industrial - Niagara | 60,982 | 73,255 | 64,537 |
| Large | 60,982 | 73,255 | 64,537 |
| Multi-family Residential | 101,975 | 113,578 | 110,420 |
| Large | 66,780 | 75,623 | 74,033 |
| Small | 35,195 | 37,955 | 36,387 |
| Private Fire Service | | | |
| Large | | | |
| Public Authority | 56,997 | 103,437 | 109,541 |
| Large | 49,769 | 84,135 | 89,286 |
| Small | 7,228 | 19,302 | 20,255 |
| Recycled | 5,469 | 9,995 | 10,186 |
| Large | 5,469 | 9,995 | 10,186 |
| Residential | 468,560 | 557,781 | 555,480 |
| Small | 468,560 | 557,781 | 555,480 |
| Grand Total | 921,829 | 1,155,902 | 1,171,774 |

San Gabriel Valley Water Company
Fontana Water Company Division
Cemex USA Construction
Account: 3-5-999-0982-8-0

| Billing Month | 2016 | | | 2019 | | | 2022 | | |
|---------------|----------|---------|-----------|----------|---------|-----------|----------|--------|-----------|
| | Contract | Tariff | Total Ccf | Contract | Tariff | Total Ccf | Contract | Tariff | Total Ccf |
| Jan | 5,719 | 17,298 | 23,017 | 7,603 | 17,971 | 25,574 | 5,495 | 15,131 | 20,626 |
| Feb | 5,887 | 16,394 | 22,281 | 6,315 | 14,335 | 20,650 | 5,827 | 18,895 | 24,722 |
| Mar | 5,630 | 17,428 | 23,058 | 5,341 | 13,099 | 18,440 | 5,397 | 25,754 | 31,151 |
| Apr | 6,165 | 18,439 | 24,604 | 6,931 | 13,702 | 20,633 | 0 | 0 | 0 |
| May | 6,087 | 15,754 | 21,841 | 6,823 | 18,134 | 24,957 | 0 | 0 | 0 |
| Jun | 6,280 | 13,814 | 20,094 | 7,513 | 13,267 | 20,780 | 0 | 0 | 0 |
| Jul | 6,975 | 18,019 | 24,994 | 8,468 | 15,677 | 24,145 | 0 | 0 | 0 |
| Aug | 5,919 | 16,487 | 22,406 | 9,886 | 12,136 | 22,022 | 0 | 0 | 0 |
| Sep | 5,821 | 15,272 | 21,093 | 8,320 | 19,512 | 27,832 | 0 | 0 | 0 |
| Oct | 5,626 | 16,653 | 22,279 | 8,274 | 18,653 | 26,927 | 0 | 0 | 0 |
| Nov | 5,633 | 11,646 | 17,279 | 7,044 | 21,698 | 28,742 | 0 | 0 | 0 |
| Dec | 5,381 | 7,487 | 12,868 | 6,767 | 16,385 | 23,152 | 0 | 0 | 0 |
| Total | 71,123 | 184,691 | 255,814 | 89,285 | 194,569 | 283,854 | 16,719 | 59,780 | 76,499 |
| | 28% | 72% | 100% | 31% | 69% | 100% | 22% | 78% | 100% |

| Billing Month | 2017 | | | 2020 | | | 2023 | | |
|---------------|----------|---------|-----------|----------|---------|-----------|----------|---------|-----------|
| | Contract | Tariff | Total Ccf | Contract | Tariff | Total Ccf | Contract | Tariff | Total Ccf |
| Jan | 5,710 | 13,327 | 19,037 | 8,530 | 4,129 | 12,659 | 0 | 0 | 0 |
| Feb | 6,138 | 7,058 | 13,196 | 7,714 | 14,957 | 22,671 | 0 | 0 | 0 |
| Mar | 6,411 | 7,826 | 14,237 | 7,224 | 17,494 | 24,718 | 0 | 0 | 0 |
| Apr | 8,218 | 17,961 | 26,179 | 7,031 | 16,798 | 23,829 | 0 | 0 | 0 |
| May | 8,959 | 13,007 | 21,966 | 7,497 | 18,458 | 25,955 | 0 | 0 | 0 |
| Jun | 8,117 | 14,001 | 22,118 | 8,680 | 18,776 | 27,456 | 0 | 0 | 0 |
| Jul | 7,285 | 14,633 | 21,918 | 7,728 | 18,487 | 26,215 | 0 | 0 | 0 |
| Aug | 7,240 | 15,366 | 22,606 | 10,866 | 19,056 | 29,922 | 0 | 0 | 0 |
| Sep | 7,079 | 18,693 | 25,772 | 8,168 | 17,437 | 25,605 | 0 | 0 | 0 |
| Oct | 6,680 | 14,818 | 21,498 | 8,111 | 17,588 | 25,699 | 0 | 0 | 0 |
| Nov | 5,536 | 22,315 | 27,851 | 8,446 | 17,719 | 26,165 | 0 | 0 | 0 |
| Dec | 5,405 | 15,162 | 20,567 | 7,863 | 17,032 | 24,895 | 0 | 0 | 0 |
| Total | 82,778 | 174,167 | 256,945 | 97,858 | 197,931 | 295,789 | 0 | 0 | 0 |
| | 32% | 68% | 100% | 33% | 67% | 100% | #DIV/0! | #DIV/0! | #DIV/0! |

| Billing Month | 2018 | | | 2021 | | | 2024 | | |
|---------------|----------|---------|-----------|----------|---------|-----------|----------|---------|-----------|
| | Contract | Tariff | Total Ccf | Contract | Tariff | Total Ccf | Contract | Tariff | Total Ccf |
| Jan | 7,761 | 13,442 | 21,203 | 8,786 | 17,622 | 26,408 | 0 | 0 | 0 |
| Feb | 7,523 | 16,913 | 24,436 | 7,291 | 17,254 | 24,545 | 0 | 0 | 0 |
| Mar | 6,559 | 15,940 | 22,499 | 6,959 | 14,279 | 21,238 | 0 | 0 | 0 |
| Apr | 6,171 | 16,454 | 22,625 | 6,655 | 14,653 | 21,308 | 0 | 0 | 0 |
| May | 6,441 | 20,095 | 26,536 | 6,779 | 21,356 | 28,135 | 0 | 0 | 0 |
| Jun | 6,730 | 18,470 | 25,200 | 6,577 | 21,557 | 28,134 | 0 | 0 | 0 |
| Jul | 6,928 | 20,026 | 26,954 | 6,105 | 19,750 | 25,855 | 0 | 0 | 0 |
| Aug | 7,822 | 20,628 | 28,450 | 8,582 | 17,324 | 25,906 | 0 | 0 | 0 |
| Sep | 7,909 | 20,712 | 28,621 | 8,518 | 19,503 | 28,021 | 0 | 0 | 0 |
| Oct | 7,398 | 20,944 | 28,342 | 7,255 | 16,111 | 23,366 | 0 | 0 | 0 |
| Nov | 6,109 | 30,174 | 36,283 | 5,453 | 20,108 | 25,561 | 0 | 0 | 0 |
| Dec | 6,027 | 27,238 | 33,265 | 4,615 | 17,164 | 21,779 | 0 | 0 | 0 |
| Total | 83,378 | 241,036 | 324,414 | 83,575 | 216,681 | 300,256 | 0 | 0 | 0 |
| | 26% | 74% | 100% | 28% | 72% | 100% | #DIV/0! | #DIV/0! | #DIV/0! |

San Gabriel Valley Water Company
Fontana Water Company Division
Cemex USA Construction
Account: 3-5-999-0982-8-0

| Billing Month | 2016 | | | 2019 | | | 2022 | | |
|---------------|----------|---------|-----------|----------|---------|-----------|----------|--------|-----------|
| | Contract | Tariff | Total Ccf | Contract | Tariff | Total Ccf | Contract | Tariff | Total Ccf |
| Jan | 5,719 | 17,298 | 23,017 | 7,603 | 17,971 | 25,574 | 5,495 | 15,131 | 20,626 |
| Feb | 5,887 | 16,394 | 22,281 | 6,315 | 14,335 | 20,650 | 5,827 | 18,895 | 24,722 |
| Mar | 5,630 | 17,428 | 23,058 | 5,341 | 13,099 | 18,440 | 5,397 | 25,754 | 31,151 |
| Apr | 6,165 | 18,439 | 24,604 | 6,931 | 13,702 | 20,633 | 0 | 0 | 0 |
| May | 6,087 | 15,754 | 21,841 | 6,823 | 18,134 | 24,957 | 0 | 0 | 0 |
| Jun | 6,280 | 13,814 | 20,094 | 7,513 | 13,267 | 20,780 | 0 | 0 | 0 |
| Jul | 6,975 | 18,019 | 24,994 | 8,468 | 15,677 | 24,145 | 0 | 0 | 0 |
| Aug | 5,919 | 16,487 | 22,406 | 9,886 | 12,136 | 22,022 | 0 | 0 | 0 |
| Sep | 5,821 | 15,272 | 21,093 | 8,320 | 19,512 | 27,832 | 0 | 0 | 0 |
| Oct | 5,626 | 16,653 | 22,279 | 8,274 | 18,653 | 26,927 | 0 | 0 | 0 |
| Nov | 5,633 | 11,646 | 17,279 | 7,044 | 21,698 | 28,742 | 0 | 0 | 0 |
| Dec | 5,381 | 7,487 | 12,868 | 6,767 | 16,385 | 23,152 | 0 | 0 | 0 |
| Total | 71,123 | 184,691 | 255,814 | 89,285 | 194,569 | 283,854 | 16,719 | 59,780 | 76,499 |
| | 28% | 72% | 100% | 31% | 69% | 100% | 22% | 78% | 100% |

| Billing Month | 2017 | | | 2020 | | | 2023 | | |
|---------------|----------|---------|-----------|----------|---------|-----------|----------|---------|-----------|
| | Contract | Tariff | Total Ccf | Contract | Tariff | Total Ccf | Contract | Tariff | Total Ccf |
| Jan | 5,710 | 13,327 | 19,037 | 8,530 | 4,129 | 12,659 | 0 | 0 | 0 |
| Feb | 6,138 | 7,058 | 13,196 | 7,714 | 14,957 | 22,671 | 0 | 0 | 0 |
| Mar | 6,411 | 7,826 | 14,237 | 7,224 | 17,494 | 24,718 | 0 | 0 | 0 |
| Apr | 8,218 | 17,961 | 26,179 | 7,031 | 16,798 | 23,829 | 0 | 0 | 0 |
| May | 8,959 | 13,007 | 21,966 | 7,497 | 18,458 | 25,955 | 0 | 0 | 0 |
| Jun | 8,117 | 14,001 | 22,118 | 8,680 | 18,776 | 27,456 | 0 | 0 | 0 |
| Jul | 7,285 | 14,633 | 21,918 | 7,728 | 18,487 | 26,215 | 0 | 0 | 0 |
| Aug | 7,240 | 15,366 | 22,606 | 10,866 | 19,056 | 29,922 | 0 | 0 | 0 |
| Sep | 7,079 | 18,693 | 25,772 | 8,168 | 17,437 | 25,605 | 0 | 0 | 0 |
| Oct | 6,680 | 14,818 | 21,498 | 8,111 | 17,588 | 25,699 | 0 | 0 | 0 |
| Nov | 5,536 | 22,315 | 27,851 | 8,446 | 17,719 | 26,165 | 0 | 0 | 0 |
| Dec | 5,405 | 15,162 | 20,567 | 7,863 | 17,032 | 24,895 | 0 | 0 | 0 |
| Total | 82,778 | 174,167 | 256,945 | 97,858 | 197,931 | 295,789 | 0 | 0 | 0 |
| | 32% | 68% | 100% | 33% | 67% | 100% | #DIV/0! | #DIV/0! | #DIV/0! |

| Billing Month | 2018 | | | 2021 | | | 2024 | | |
|---------------|----------|---------|-----------|----------|---------|-----------|----------|---------|-----------|
| | Contract | Tariff | Total Ccf | Contract | Tariff | Total Ccf | Contract | Tariff | Total Ccf |
| Jan | 7,761 | 13,442 | 21,203 | 8,786 | 17,622 | 26,408 | 0 | 0 | 0 |
| Feb | 7,523 | 16,913 | 24,436 | 7,291 | 17,254 | 24,545 | 0 | 0 | 0 |
| Mar | 6,559 | 15,940 | 22,499 | 6,959 | 14,279 | 21,238 | 0 | 0 | 0 |
| Apr | 6,171 | 16,454 | 22,625 | 6,655 | 14,653 | 21,308 | 0 | 0 | 0 |
| May | 6,441 | 20,095 | 26,536 | 6,779 | 21,356 | 28,135 | 0 | 0 | 0 |
| Jun | 6,730 | 18,470 | 25,200 | 6,577 | 21,557 | 28,134 | 0 | 0 | 0 |
| Jul | 6,928 | 20,026 | 26,954 | 6,105 | 19,750 | 25,855 | 0 | 0 | 0 |
| Aug | 7,822 | 20,628 | 28,450 | 8,582 | 17,324 | 25,906 | 0 | 0 | 0 |
| Sep | 7,909 | 20,712 | 28,621 | 8,518 | 19,503 | 28,021 | 0 | 0 | 0 |
| Oct | 7,398 | 20,944 | 28,342 | 7,255 | 16,111 | 23,366 | 0 | 0 | 0 |
| Nov | 6,109 | 30,174 | 36,283 | 5,453 | 20,108 | 25,561 | 0 | 0 | 0 |
| Dec | 6,027 | 27,238 | 33,265 | 4,615 | 17,164 | 21,779 | 0 | 0 | 0 |
| Total | 83,378 | 241,036 | 324,414 | 83,575 | 216,681 | 300,256 | 0 | 0 | 0 |
| | 26% | 74% | 100% | 28% | 72% | 100% | #DIV/0! | #DIV/0! | #DIV/0! |

**SAN GABRIEL VALLEY WATER COMPANY
 FONTANA WATER COMPANY DIVISION
 CALCULATION OF CONTRACT WATER RATES**

| |
|-------------------------|
| To: Shawn C. Cris F. |
|-------------------------|

| | | | | | | |
|--------------------|-----------------|---------------|---------------------------------------|---------------|----------------|------------------|
| <u>Tariff Code</u> | <u>Customer</u> | <u>Source</u> | <u>Description of Water Cost Used</u> | <u>Amount</u> | <u>Per Ccf</u> | <u>Effective</u> |
|--------------------|-----------------|---------------|---------------------------------------|---------------|----------------|------------------|

QUANTITY CHARGE

| | | | | | | |
|----|--------------------------------|----------|---|--------------|----------|----------|
| 9 | CEMEX (Fontana) | FO-1 | FO-1 Quantity Rate, Surcharges and Separate Calculation | | \$1.9875 | 3/7/2022 |
| 16 | Fontana Recycled Water | FO-6 | See FO-6 Tariff Schedule | | | |
| 19 | City of Fontana Recycled Water | Contract | IEUA Recycled Water Rate | \$520.00 /AF | \$1.8480 | 7/1/2021 |

NOTE: FWC originally paid \$115/AF to IEUA for recycled water; it had increased to \$400/AF when contract was signed.

SERVICE CHARGE

| | | | |
|----|--------------------------------|------|--|
| 9 | CEMEX (Fontana) | FO-1 | |
| 16 | Fontana Recycled Water | FO-6 | |
| 19 | City of Fontana Recycled Water | FO-1 | |

Key:
 IEUA = Inland Empire Utilities Agency

Changed 3/1/2022

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 | | | | | | | | |

8,26%¹⁰

*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% |

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).**

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% |

5.20%

| SAN GABRIEL VALLEY WATER COMPANY | 12MOS | 12MOS | 12MOS |
|---------------------------------------|---------------|---------------|---------------|
| RECORDED SUMMARY OF EARNINGS | 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% |