

**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: 06/07/22

District: Fontana Water Company
Division

CPUC Utility #:

Protest Deadline (20th Day): 06/27/22

Advice Letter #: 580

Review Deadline (30th Day): 07/07/22

Tier 1 2 3 Compliance

Requested Effective Date: 07/01/22

Authorization

Rate Impact: \$0
 0.0%

Description: This advice letter seeks to close the Fontana Water Company Mains Projects Balancing Account and to transfer the March 2022 over-collected balance to the PABBA.

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) 774-2265

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

<u>DATE</u>	<u>STAFF</u>	<u>COMMENTS</u>
_____	_____	_____
_____	_____	_____

APPROVED

WITHDRAWN

REJECTED

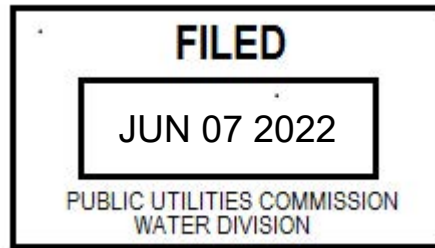
Signature: _____

Comments: _____

Date: _____

SAN GABRIEL VALLEY WATER COMPANY

June 07, 2022



Advice Letter No. 580

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.
Cancel 3224-W	Preliminary Statement, Paragraph S Table of Contents	n/a n/a	2986-W 3223-W

San Gabriel Valley Water Company ("San Gabriel" or "Company") submits this advice letter to request authorization to transfer the March 2022 over-collected balance of \$36,394 in the Fontana Water Company division tracked in the Mains Projects Balancing Account ("MPBA") (Preliminary Statement, Paragraph S) to the Previously Authorized Balances Balancing Account ("PABBA") (Preliminary Statement Section F2), and to simultaneously close the MPBA in compliance with Resolution W-5174. **This advice letter is designated as Tier 2.**

Discussion

Commission Resolution W-5174, dated February 21, 2019, authorized San Gabriel to transfer the authorized balance in the Mains Project Memorandum Account of \$2,161,866 to the MPBA, and to amortize that balance through a 36-month surcharge of \$0.0491 per Ccf, and subsequently to transfer any residual balance to the PABBA. The relevant Ordering Paragraphs of Resolution W-5174 are as follows:

2. San Gabriel Valley Water Company shall file a supplement to Advice Letter No. 527-W within ten days of the effective date of this resolution to reduce the authorized balance in the Mains Project Memorandum Account from \$3,385,564 to \$2,161,866. The added special conditions in the attached tariff pages to Advice Letter No. 527-W are to be amended to indicate amortization of the Mains Project Balancing Account (MPBA) through a temporary thirty-six-month surcharge of \$0.0491 per hundred cubic feet effective ten days following receipt of the supplement to Advice Letter 527-W. Pursuant to General Order 96-B, Water Industry Rule 3.2, San Gabriel Valley Water Company shall inform customers, by bill insert in the first bill that includes the

above surcharge, of the amount of the surcharge expressed in dollar and percentage terms.

3. San Gabriel Valley Water Company shall do the following as part of its supplement to Advice Letter No. 527-W:
 - a. Establish a Mains Project Balancing Account (MPBA) in the Preliminary Statements of its Tariff;
 - b. Transfer the authorized balance of \$2,161,866 from the Mains Project Memorandum Account (MPMA) to the MPBA for amortization; and
 - c. Close and remove the MPMA from the Preliminary Statements of its Tariff.
4. At the end of the thirty-six-month amortization of the Mains Project Balancing Account (MPBA), any remaining balance, plus or minus, shall be transferred to the Previously Authorized Balances Balancing Account for the Fontana Water Company Division and the MPBA closed and removed from the Preliminary Statements of the San Gabriel Valley Water Company Tariff.

By Advice Letters 527-A, effective March 7, 2019, San Gabriel opened the MPBA in the Fontana Water Company division, and instituted the \$0.0491 per Ccf Surcharge in the Fontana Water Company division to amortize the approved under-collected balance. This surcharge expired on March 7, 2022 leaving an over-collected balance of \$36,394 in the Fontana Water Company division as of March 31, 2022. San Gabriel requests authorization to close the MPBA and to transfer this residual balance to the PABBA, effective July 1, 2022. This advice letter proposes no changes in rates.

Workpapers supporting the 2019 - 2022 entries to the Mains Projects Balancing Account ("MPBA") have been submitted to Commission staff for its review and verification.

Notice of Advice Letter Filing

In accordance with Water Industry Rule 3.3 of General Order 96-B, San Gabriel will post this advice letter to its website www.fontanawater.com. Distribution of this advice letter is being made to the attached service list in accordance with Water Industry Rule 4.1 of General Order No. 96-B. No further public notice is required.

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 relitigating 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
Advice Letter 580

June 07, 2022

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

\encl.

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(continued)

(To be inserted by utility)
Advice Letter No. 580

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. _____

ADVICE LETTER DISTRIBUTION LIST

San Gabriel Valley Water Company
Fontana Water Company Division
Advice Letter No. 580

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Golden State Water Company
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rkmoore@gswater.com

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Rancho Cucamonga, CA 91730

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Fontana Unified School District
Business Services Office
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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

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**SAN GABRIEL VALLEY WATER COMPANY
FONTANA WATER COMPANY DIVISION
Mains Projects Balancing Account**

2022

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
SALES (Ccf)												
CCF Sales Billed (23)	921,829	1,155,862	1,171,774	0	0	0	0	0	0	0	0	0
Less: Recycled Contract Sales (23)	5,469	9,995	10,186	0	0	0	0	0	0	0	0	0
Cemex Contract Sales (25)	5,495	5,827	5,397	0	0	0	0	0	0	0	0	0
Less: Cemex Sales @ 53.575% (24)	2,944	3,122	2,891	0	0	0	0	0	0	0	0	0
Net Sales	913,416	1,142,745	1,158,697	0	0	0	0	0	0	0	0	0
REVENUES												
Amortization Rate (14)	\$0.0491	\$0.0491	\$0.0095	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
Billed Amortization Revenue	\$44,849	\$56,109	\$11,011	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adopted UC&FF Rate (18)	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%
Uncollectibles & Franchise Fees	\$377	\$471	\$93	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$44,472	\$55,637	\$10,919	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Paper Rate (17)	0.15%	0.21%	0.63%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
BALANCING ACCOUNT												
Beginning Balance (2)	\$74,643	\$30,178	(\$25,459)	(\$36,394)	(\$36,394)	(\$36,394)	(\$36,394)	(\$36,394)	(\$36,394)	(\$36,394)	(\$36,394)	(\$36,394)
Revenues	(\$44,472)	(\$55,637)	(\$10,919)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest	\$7	\$0	(\$16)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$30,178	(\$25,459)	(\$36,394)	(\$36,394)	(\$36,394)	(\$36,394)	(\$36,394)	(\$36,394)	(\$36,394)	(\$36,394)	(\$36,394)	(\$36,394)

NOTES:

1. Described in Preliminary Statement, Paragraph S.
2. Resolution W-5174/AL 527-A authorizes a 3-year \$0.0491/Ccf surcharge effective 03/07/2019 to amortize the \$2,161,866 April 2018 memorandum account balance.

**SAN GABRIEL VALLEY WATER COMPANY
FONTANA WATER COMPANY DIVISION
Mains Projects Balancing Account**

2021

	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>
SALES (Ccf)												
CCF Sales Billed (22)	1,126,863	1,014,307	1,002,413	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
Less: Recycled Contract Sales (22)	7,577	5,224	6,201	13,487	15,555	19,751	23,474	19,190	20,104	10,006	11,804	3,552
Cemex Contract Sales (25)	8,786	7,291	6,959	6,655	6,779	6,577	6,105	8,582	8,518	7,255	5,453	4,615
Less: Cemex Sales @ 53.575% (24)	4,707	3,906	3,728	3,565	3,632	3,524	3,271	4,598	4,564	3,887	2,921	2,472
Net Sales	1,114,579	1,005,177	992,484	1,250,371	1,391,322	1,447,510	1,756,381	1,634,261	1,742,256	1,490,190	1,243,525	1,166,382
REVENUES												
Amortization Rate (14)	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491
Billed Amortization Revenue	\$54,726	\$49,354	\$48,731	\$61,393	\$68,314	\$71,073	\$86,238	\$80,242	\$85,545	\$73,168	\$61,057	\$57,269
Adopted UC&FF Rate (18)	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%
Uncollectibles & Franchise Fees	\$460	\$415	\$409	\$516	\$574	\$597	\$724	\$674	\$719	\$615	\$513	\$481
Total Revenues	\$54,266	\$48,940	\$48,322	\$60,877	\$67,740	\$70,476	\$85,514	\$79,568	\$84,826	\$72,554	\$60,544	\$56,788
Commercial Paper Rate (17)	0.10%	0.08%	0.08%	0.06%	0.05%	0.05%	0.06%	0.06%	0.06%	0.06%	0.08%	0.13%
BALANCING ACCOUNT												
Beginning Balance (3)	\$864,712	\$810,516	\$761,628	\$713,356	\$652,513	\$584,798	\$514,346	\$428,855	\$349,307	\$264,496	\$191,954	\$131,420
Revenues	(\$54,266)	(\$48,940)	(\$48,322)	(\$60,877)	(\$67,740)	(\$70,476)	(\$85,514)	(\$79,568)	(\$84,826)	(\$72,554)	(\$60,544)	(\$56,788)
Interest	\$70	\$52	\$49	\$34	\$26	\$23	\$24	\$19	\$15	\$11	\$11	\$11
Ending Balance	\$810,516	\$761,628	\$713,356	\$652,513	\$584,798	\$514,346	\$428,855	\$349,307	\$264,496	\$191,954	\$131,420	\$74,643

NOTES:

1. Described in Preliminary Statement, Paragraph S.
2. Resolution W-5174/AL 527-A authorizes a 3-year \$0.0491/Ccf surcharge effective 03/07/2019 to amortize the \$2,161,866 April 2018 memorandum account balance.

**SAN GABRIEL VALLEY WATER COMPANY
FONTANA WATER COMPANY DIVISION
Mains Projects Balancing Account**

	2020											
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
SALES (Ccf)												
CCF Sales Billed (21)	861,355	1,045,083	996,621	889,034	1,279,019	1,491,897	1,740,013	1,758,759	1,730,289	1,594,462	1,292,445	1,241,168
Less: Recycled Contract Sales (21)	2,406	5,657	3,346	4,398	15,738	19,644	25,900	25,494	24,231	18,940	10,276	12,414
Cemex Contract Sales (25)	8,530	7,714	7,224	7,031	7,497	8,680	7,728	10,866	8,168	8,111	8,446	7,863
Less: Cemex Sales @ 53.575% (24)	4,570	4,133	3,870	3,767	4,017	4,650	4,140	5,821	4,376	4,345	4,525	4,213
Net Sales	854,379	1,035,293	989,405	880,869	1,259,264	1,467,603	1,709,973	1,727,444	1,701,682	1,571,177	1,277,644	1,224,541
REVENUES												
Amortization Rate (14)	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491
Billed Amortization Revenue	\$41,950	\$50,833	\$48,580	\$43,251	\$61,830	\$72,059	\$83,960	\$84,817	\$83,553	\$77,145	\$62,732	\$60,125
Adopted UC&FF Rate (19) (18)	0.8881%	0.8881%	0.8881%	0.8881%	0.8881%	0.8881%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%	0.8401%
Uncollectibles & Franchise Fees	\$373	\$451	\$431	\$384	\$549	\$640	\$705	\$713	\$702	\$648	\$527	\$505
Total Revenues	\$41,577	\$50,381	\$48,148	\$42,867	\$61,281	\$71,419	\$83,254	\$84,105	\$82,851	\$76,497	\$62,205	\$59,620
Commercial Paper Rate (17)	1.58%	1.56%	1.44%	0.98%	0.28%	0.18%	0.14%	0.12%	0.12%	0.11%	0.13%	0.13%
BALANCING ACCOUNT												
Beginning Balance (4)	\$1,620,578	\$1,581,107	\$1,532,748	\$1,486,410	\$1,444,740	\$1,383,789	\$1,312,572	\$1,229,466	\$1,145,480	\$1,062,739	\$986,337	\$924,235
Revenues	(\$41,577)	(\$50,381)	(\$48,148)	(\$42,867)	(\$61,281)	(\$71,419)	(\$83,254)	(\$84,105)	(\$82,851)	(\$76,497)	(\$62,205)	(\$59,620)
Interest	\$2,106	\$2,023	\$1,810	\$1,196	\$330	\$202	\$148	\$119	\$110	\$94	\$103	\$97
Ending Balance	\$1,581,107	\$1,532,748	\$1,486,410	\$1,444,740	\$1,383,789	\$1,312,572	\$1,229,466	\$1,145,480	\$1,062,739	\$986,337	\$924,235	\$864,712

NOTES:

1. Described in Preliminary Statement, Paragraph S.
2. Resolution W-5174/AL 527-A authorizes a 3-year \$0.0491/Ccf surcharge effective 03/07/2019 to amortize the \$2,161,866 April 2018 memorandum account balance.

**SAN GABRIEL VALLEY WATER COMPANY
FONTANA WATER COMPANY DIVISION
Mains Projects Balancing Account**

2019

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
SALES (Ccf)												
CCF Sales Billed (20)	939,108	743,311	694,949	1,018,228	1,271,283	1,277,915	1,535,342	1,550,771	1,755,024	1,392,544	1,428,849	993,822
Less: Recycled Contract Sales (20)	2,500	504	1,738	6,594	5,921	6,863	11,046	8,389	7,777	6,659	4,977	1,723
Cemex Contract Sales (25)	7,603	6,315	5,341	6,931	6,823	7,513	8,468	9,886	8,320	8,274	7,044	6,767
Less: Cemex Sales @ 53.575% (24)	4,073	3,383	2,861	3,713	3,655	4,025	4,537	5,296	4,457	4,433	3,774	3,625
Net Sales	932,535	739,424	690,350	1,007,921	1,261,707	1,267,027	1,519,759	1,537,086	1,742,790	1,381,452	1,420,098	988,474
REVENUES												
Amortization Rate (14)	\$0.0000	\$0.0000	\$0.0396	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491	\$0.0491
Billed Amortization Revenue	\$0	\$0	\$27,336	\$49,489	\$61,950	\$62,211	\$74,620	\$75,471	\$85,571	\$67,829	\$69,727	\$48,534
Adopted UC&FF Rate (19)	0.8881%	0.8881%	0.8881%	0.8881%	0.8881%	0.8881%	0.8881%	0.8881%	0.8881%	0.8881%	0.8881%	0.8881%
Uncollectibles & Franchise Fees	\$0	\$0	\$243	\$440	\$550	\$552	\$663	\$670	\$760	\$602	\$619	\$431
Total Revenues	\$0	\$0	\$27,093	\$49,049	\$61,400	\$61,659	\$73,957	\$74,801	\$84,811	\$67,227	\$69,108	\$48,103
Commercial Paper Rate (17)	2.55%	2.49%	2.49%	2.47%	2.44%	2.31%	2.19%	2.07%	1.95%	1.80%	1.62%	1.70%
BALANCING ACCOUNT												
Beginning Balance (5)	\$2,194,179	\$2,198,842	\$2,203,404	\$2,180,855	\$2,136,244	\$2,079,126	\$2,021,410	\$1,951,074	\$1,879,575	\$1,797,749	\$1,733,169	\$1,666,354
Revenues	\$0	\$0	(\$27,093)	(\$49,049)	(\$61,400)	(\$61,659)	(\$73,957)	(\$74,801)	(\$84,811)	(\$67,227)	(\$69,108)	(\$48,103)
Interest	\$4,663	\$4,563	\$4,544	\$4,438	\$4,281	\$3,943	\$3,622	\$3,301	\$2,985	\$2,646	\$2,293	\$2,327
Ending Balance	\$2,198,842	\$2,203,404	\$2,180,855	\$2,136,244	\$2,079,126	\$2,021,410	\$1,951,074	\$1,879,575	\$1,797,749	\$1,733,169	\$1,666,354	\$1,620,578

Surcharge effective March 7 (in effect for 25 days in March): \$0.0491 x 25 days ÷ 31 days = \$0.396

NOTES:

1. Described in Preliminary Statement, Paragraph S.
2. Resolution W-5174/AL 527-A authorizes a 3-year \$0.0491/Ccf surcharge effective 03/07/2019 to amortize the \$2,161,866 April 2018 memorandum account balance.

Fontana Water Company Mains Projects Balancing Account

	Commercial Paper Rate	Interest	Balance
<u>2018</u>			
January	1.59%		
February	1.69%		
March	1.90%		
April	2.00%		\$2,161,866.00
May	2.03%	\$3,657.16	\$2,165,523.16
June	2.08%	\$3,753.57	\$2,169,276.73
July	2.12%	\$3,832.39	\$2,173,109.12
August	2.12%	\$3,839.16	\$2,176,948.28
September	2.19%	\$3,972.93	\$2,180,921.21
October	2.31%	\$4,198.27	\$2,185,119.48
November	2.45%	\$4,461.29	\$2,189,580.77
December	2.52%	\$4,598.12	\$2,194,178.89

Note: Resolution W-5174 in Advice Letter 527-A authorizes a 3-year \$0.0491/Ccf surcharge effective 03/07/2019 to amortize the \$2,161,866 April 2018 memorandum account balance.

DATE OF ISSUANCE: 02/22/2019

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER DIVISION

RESOLUTION W-5174

February 21, 2019

RESOLUTION

(RES. W- 5174), SAN GABRIEL VALLEY WATER COMPANY (SAN GABRIEL). ORDER GRANTING IN PART SAN GABRIEL'S REQUEST TO AMORTIZE THE UNDER-COLLECTED BALANCES CONTAINED IN ITS MAINS PROJECTS MEMORANDUM ACCOUNT FOR ITS FONTANA DIVISION.

By Advice Letter No. 527-W filed on May 25, 2018.

SUMMARY

By Advice Letter No. 527-W, filed on May 25, 2018, San Gabriel Valley Water Company (San Gabriel) seeks authorization to recover the under-collected balance of \$3,385,564 in its Mains Project Memorandum Account (MPMA) as of April 30, 2018 through a temporary surcharge of \$0.0768 per 100 cubic feet (Ccf) over a 36-month period.

This Resolution grants in part and denies in part San Gabriel's request to amortize the MPMA. San Gabriel is ordered to file a supplement to Advice Letter No. 527 reducing the under-collected balance to \$2,161,866 in its MPMA as of April 30, 2018. The added special conditions in the attached tariff pages to Advice Letter No. 527-W are to be amended to indicate amortization of the Mains Project Balancing Account through a temporary thirty-six-month surcharge of \$0.0491 per Ccf effective ten days following receipt of the supplement to Advice Letter 527-W. In addition, the supplement to Advice Letter No. 527-W shall do the following: 1) establish a Mains Project Balancing Account (MPBA) in the Preliminary Statements of the San Gabriel Tariff; 2) transfer the authorized balance of \$2,161,866 from the MPMA to the MPBA for amortization; and 3) close and remove the MPMA from the Preliminary Statements of the San Gabriel Tariff. Finally, at the end of the three-year amortization any remaining balance, plus or minus, shall be transferred from the MPBA to the Previously Authorized Balances Balancing Account (PABBA) for the Fontana Water Company Division and the MPBA closed and removed from the Preliminary Statements of the San Gabriel Tariff.

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(6)

BACKGROUND

In Application (A.) 11-07-005, the Commission reviewed San Gabriel's proposal for the mains replacements and repairs program based on the City of Fontana's Capital Improvement Plan (CIP). San Gabriel estimated costs for the City's CIP projects was \$29 million while the amount settled with the Commission's Office of Ratepayer Advocates (ORA) for the City of Fontana's CIP projects was \$16.2 million. The City of Fontana's estimate for the CIP projects was \$5.2 million, which was adopted in Decision (D.) 14-05-001.¹ The Commission also allowed "San Gabriel to establish [a] memorandum account to record the costs of mains repairs or replacements which do not coincide with the City's Capital Improvement Plan."²

On May 6, 2014, San Gabriel established the MPMA by Advice Letter No. 438. From May 2014 through June 30, 2017, the utility recorded, monthly, the capital costs, carrying costs³ and revenue requirements for the mains projects that were closed from January 2011 through June 2014 within the Fontana Division (Fontana). San Gabriel's adopted rate base in D. 14-05-001 reflected the \$5.2 million budgeted amount for mains work based on the City of Fontana's CIP.

The MPMA includes recorded costs and revenue requirement for thirty-six projects beginning in May 2014 when the MPMA was established through June 30, 2017 when these projects were added to rate base and included in Test Year 2017-2018 base rates pursuant to D. 17-06-008 in A. 16-01-002 (San Gabriel's most recent GRC proceeding). Interest on MPMA balances have been included through April 2018.

¹ D. 14-05-001, Ordering Paragraph No. 2 (i) states:

- "i. The capital program for Mains is reduced from the settlement's \$16.6 million to \$5.2 million, consistent with City of Fontana's Capital Improvement Plan. San Gabriel may, however, track any spending in excess of the allowance based on the Capital Improvement Plan."

² D. 14-05-001, at p. 14.

³ Capital carrying costs are comprised of depreciation expense, ad valorem tax, state and federal income taxes and return on rate base and accrued interest based on the 90-day commercial paper rate.

In Advice Letter No. 527-W, San Gabriel indicates that the MPMA balance for recovery of past revenue requirement associated with the thirty-six projects as of April 2018 is \$3,385,564, including accrued interest. By AL 527-W, San Gabriel proposes to amortize that balance through a thirty-six-month temporary surcharge of \$0.0768 per 100 cubic feet (Ccf) applied to quantity rates. The proposed rates would increase the monthly bill of the typical residential customer using 14 Ccf under Schedule FO-1 with a 5/8 X 3/4 "meter by \$1.08 or 1.5% from \$72.16 to \$73.24.

NOTICE AND PROTEST

San Gabriel served AL No. 527-W in accordance with General Order 96-B, Water Industry Rules 4.1 and 3.3.

On June 18, 2018, the Public Advocates Office (Cal PA) (formerly Office of Ratepayer Advocates) filed a protest to Advice Letter No. 527-W. In its protest, Cal PA stated that the MPMA includes projects beyond the scope for which D.14-05-001 intended when it established the MPMA. Cal PA pointed to Plant F14 Metropolitan Water District and San Bernardino Valley Municipal Water District interconnection project as an example of an unauthorized project included in the MPMA. Cal PA recommends that the Commission should reject Advice Letter No. 527-W and require San Gabriel to file an advice letter that includes only projects that are consistent with repair and replacement main projects as described in D. 14-05-001. All non-conforming projects should be reviewed as part of San Gabriel's next general rate case filing.

In its response, filed on June 25, 2018, San Gabriel states that Cal PA's protest should be rejected because its filing complies with D. 14-05-001 which does not limit the memorandum account to repair and replacement mains only. However, in the event that the Commission determines that the memorandum account is so limited, rather than rejecting Advice Letter No. 527-W in its entirety and taking it up in the next general rate case, the Commission should authorize recovery of the revenue requirement for the conforming projects and exclude the non-conforming projects from the memorandum account.

On June 14, 2018, Water Division suspended Advice Letter No. 527-W because additional time was required to process the filing.

DISCUSSION

Water Division reviewed the work papers accompanying Advice Letter No. 527-W to verify that the thirty-six projects tracked in the MPMA were consistent with the scope for the MPMA authorized in D. 14-05-001. In D. 14-05-001, San Gabriel was directed to record in the MPMA costs of mains repairs or replacements in excess of that associated with the \$5.2 million authorized addition to rate base consistent with the City of Fontana's CIP.

Water Division's review indicates that five projects encompassing 8 job numbers for a total of \$1,766,314.60 were outside the scope of the MPMA. Each of these five projects involved capital investments not associated with main repairs or replacements. These projects include:

- 1) The Metropolitan Water District and San Bernardino Valley Municipal Water District interconnections with Plant F14 to receive raw water from the two water wholesale agencies encompassing three job numbers (4854F-2, 4854F-3, and 4854F-8) during 2011 and 2012 for a total capital investment of \$1,469,760.06 involved no main repairs or replacements.
- 2) An on-line submittal of the 2012 Urban Water Management Plan Update (5487F-2) in 2014 at a total cost of \$5,831.80 involved no main repairs or replacements. An earlier 2011 portion of the project (5487F-1) described as preparing the 2010 Urban Water Management Plan Update was explicitly excluded from the MPMA by San Gabriel.
- 3) The addition of a new pipeline to put Well F10D into service in 2014 encompassing two job numbers (5555F-12 and 5555F-13) for a total capital investment of \$102,561.35 involved no main repairs or replacements.
- 4) A new pipeline installation to improve flow availability to Plant F16 from the Alder Pressure Zone in 2011 (5493-2) at a total cost of \$8,934.29 did not involve main repairs or replacements. This is an unspecified additional cost to job number 5493F-1 in 2010 to install a new 24-inch interconnect pipeline to improve flow availability to Plant F16 which is not included in the MPMA.

- 5) The addition of a new pipeline from Plant F10 West to Plant F10 East to put Well F10D into service in 2011 at total capital investment of \$179,227.10 did not involve main repairs or replacements.

We conclude that the five projects described above are outside the scope of the MPMA authorized in D.14-05-001 and were inappropriately booked to the MPMA. The capital investment of \$1,766,314.60 for these five projects should be removed for purposes of calculating the revenue requirement for the period May 2014 through June 2017.

San Gabriel's work papers indicate that thirty-six projects it booked to the MPMA have at a total capital investment of \$10,929,463.88. San Gabriel then correctly deducted \$3,935,238.94 which is the amount of unspent funds from the \$5.2 million rate base addition the Commission authorized in D. 14-05-001 for mains repairs and replacements based on the City of Fontana's CIP. This results in net plant additions booked to the MPMA by San Gabriel of \$6,994,224.94. Based on our determination above that five projects with a capital investment of \$1,766,314.60 should be removed from the MPMA, the resulting authorized capital investment balance recorded to the MPMA is \$5,227,910.34.

Water Division calculated the associated revenue requirement for the \$5,227,910.34 capital investment over the period May 2014 when the MPMA was established through June 2017 when these capital investments were included in the Test Year 2017-2018 rate base and reflected in base rates in D.17-06-008 plus interest through April 2018. Water Division applied the current federal tax rate of 21% and the rate of return for the 2019-2021 recovery period based on D. 18-12-002 in San Gabriel's cost of capital proceeding, A. 18-05-005. The resulting authorized revenue requirement of \$2,161,866 is reasonable to be recovered from ratepayers. Using authorized sales from D.17-06-008 and the three-year amortization generates a surcharge of \$0.0491/Ccf which we authorize for recovery of the \$2,161,866 beginning balance in the to-be-established Mains Project Balancing Account (MPBA) (see below). For a typical customer using 14 Ccf per month, the surcharge results in an increase in the average monthly residential bill of \$0.69 or less than 1% from \$73.32 to \$74.01. Pursuant to General Order 96-B, Water Industry Rule 3.2, San Gabriel shall inform customers, by bill insert in the first bill that includes the above surcharge, of the amount of the surcharge expressed in dollar and percentage terms.

To effectuate the changes required to San Gabriel's request in Advice Letter 527-W that we authorize in this Resolution, San Gabriel will need to file a supplement to Advice

Letter 527-W within ten days of the effective date of this resolution. The supplement should reduce the authorized balance in the Mains Project Memorandum Account from \$3,385,564 to \$2,161,866. The added special conditions in the attached tariff pages to Advice Letter No. 527-W are to be amended to indicate amortization of the Mains Project Balancing Account through a temporary thirty-six-month surcharge of \$0.0491 per Ccf effective ten days following receipt of the supplement to Advice Letter 527-W.

Included in its supplement to Advice Letter 527-W, San Gabriel will need to address three Tariff housekeeping requirements. First, San Gabriel will need to establish a Mains Project Balancing Account (MPBA) in its Tariff Preliminary Statements. Second, San Gabriel should transfer the authorized balance of \$2,161,866 from the MPMA to the MPBA for amortization. Third, San Gabriel will need to close and remove the MPMA from the Tariff Preliminary Statements.

Finally, at the end of the thirty-six-month amortization of the MPBA, any remaining balance, plus or minus, shall be transferred to the Previously Authorized Balances Balancing Account for the Fontana Water Company Division and the MPBA closed and removed from the Preliminary Statements of San Gabriel's Tariff.

SAFETY CONSIDERATIONS

The denial of specific projects from San Gabriel's requested amortization of the MPMA will not adversely impact San Gabriel's ability to safely operate and maintain its operations for the benefit of its customers, employees, and members of the public.

COMMENTS

Public Utilities Code § 311(g)(1) provides that this resolution must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the commission. Accordingly, this draft Resolution was mailed to the utility, Cal PA, and made available for public comment on January 22, 2019 with comments due on February 11, 2019.

San Gabriel filed timely comments on February 11, 2019. San Gabriel does not challenge the exclusion of the five projects from the MPMA, nor does San Gabriel challenge the use of the current 21% federal corporate income tax rate. San Gabriel does, however, disagree with the application of the current rate of return adopted in D.18-12-002 for the 2019 – 2021 recovery period. We have considered San Gabriel's comments and make no changes herein.

FINDINGS AND CONCLUSIONS

1. San Gabriel Valley Water Company (San Gabriel) established the "Mains Project Memorandum Account" (MPMA) for its Fontana Water Company Division pursuant to Decision (D.) 14-05-001.
2. The purpose of the MPMA is to track costs for mains repairs or replacements in excess of \$5.2 million authorized addition to rate base in D. 14-05-001 consistent with the City of Fontana's Capital Improvement Plan (CIP).
3. San Gabriel filed Advice Letter No. 527-W to request amortization of \$3,385,564, the balance in the MPMA including interest as of April 2018 through a surcharge of \$0.0768 per hundred cubic feet (Ccf) over a thirty-six-month period for its Fontana Division.
4. Advice Letter No. 527-W was protested by the Public Advocates Office on June 18, 2018.
5. San Gabriel included the capital cost and associated revenue requirement for thirty-six projects in the MPMA.
6. The MPMA includes \$10,929,464 in capital investment costs for thirty-six projects that were not related to the City of Fontana's CIP.

7. Five projects encompassing eight job numbers (job numbers 4854F-2, 4854F-3, 4854F-8, 5487F-2, 5493F-2, 5555F-12, 5555F-13, and 5596F-1) totaling \$1,766,315 included in the MPMA did not involve main repairs or replacements.
8. The five projects encompassing eight job numbers identified in Finding No. 6 above were inappropriately booked to the MPMA and the associated capital investment of \$1,766,315 should be removed for purposes of calculating the revenue requirement for the period May 2014 through June 2017.
9. The authorized capital investments recorded in the MPMA, after adjusting for the \$3,935,239 unspent authorized rate base for City of Fontana's CIP and the \$1,766,315 for projects outside the scope of the MPMA, is \$5,227,910.
10. The current federal tax rate and rate of return for 2019 should be used to calculate the revenue requirement associated with the authorized capital investment of \$5,227,910 in the MPMA to be recovered from ratepayers over the period 2019 through 2021.
11. The authorized revenue requirement associated with the authorized capital investment of \$5,227,910 is \$2,161,866.
12. San Gabriel should establish a Mains Project Balancing Account (MPBA) to its Tariff Preliminary Statements to amortize the authorized \$2,161,866.
13. San Gabriel should transfer the authorized balance of \$2,161,866 from the MPMA to the MPBA.
14. San Gabriel should close the MPMA and remove this account from its Tariff Preliminary Statements.
15. The authorized surcharge to recover the approved balance of \$2,161,866 over a three-year period beginning January 1, 2019 is \$0.0491/Ccf.
16. At the end of the three-year amortization of the MPBA, San Gabriel should transfer any remaining balance, plus or minus, to the Previously Authorized Balances Balancing Account for the Fontana Water Company Division and close the MPBA and remove the MPBA from the Tariff Preliminary Statements.

THEREFORE, IT IS ORDERED THAT:

1. San Gabriel Valley Water Company's request in Advice Letter No. 527-W is denied in part and granted in part.
2. San Gabriel Valley Water Company shall file a supplement to Advice Letter No. 527-W within ten days of the effective date of this resolution to reduce the authorized balance in the Mains Project Memorandum Account from \$3,385,564 to \$2,161,866. The added special conditions in the attached tariff pages to Advice Letter No. 527-W are to be amended to indicate amortization of the Mains Project Balancing Account (MPBA) through a temporary thirty-six-month surcharge of \$0.0491 per hundred cubic feet effective ten days following receipt of the supplement to Advice Letter 527-W. Pursuant to General Order 96-B, Water Industry Rule 3.2, San Gabriel Valley Water Company shall inform customers, by bill insert in the first bill that includes the above surcharge, of the amount of the surcharge expressed in dollar and percentage terms.
3. San Gabriel Valley Water Company shall do the following as part of its supplement to Advice Letter No. 527-W:
 - a. Establish a Mains Project Balancing Account (MPBA) in the Preliminary Statements of its Tariff;
 - b. Transfer the authorized balance of \$2,161,866 from the Mains Project Memorandum Account (MPMA) to the MPBA for amortization; and
 - c. Close and remove the MPMA from the Preliminary Statements of its Tariff.
4. At the end of the thirty-six-month amortization of the Mains Project Balancing Account (MPBA), any remaining balance, plus or minus, shall be transferred to the Previously Authorized Balances Balancing Account for the Fontana Water Company Division and the MPBA closed and removed from the Preliminary Statements of the San Gabriel Valley Water Company Tariff.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on February 21, 2019 the following Commissioners voting favorably thereon:

/s/ALICE STEBBINS

ALICE STEBBINS

Executive Director

MICHAEL PICKER

President

LIANE M. RANDOLPH

MARTHA GUZMAN ACEVES

CLIFFORD RECHTSCHAFFEN

GENEVIEVE SHIROMA

Commissioners

APPENDIX A
SAN GABRIEL VALLEY WATER COMPANY
ADVICE LETTER NO. W-527
SERVICE LIST

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Download Page H.15 Selected Interest Rates for Jun 06, 2022

Series Description 90-Day AA Nonfinancial Commercial Paper Interest Rate

Unit: Percent

Multiplier: 1

Currency: NA

Unique Identifier: H15/H15/RIFSPNAAD90_N.M

Time Period RIFSPNAAD90_N.M

2018-05	2.03
2018-06	2.08
2018-07	2.12
2018-08	2.12
2018-09	2.19
2018-10	2.31
2018-11	2.45
2018-12	2.52
2019-01	2.55
2019-02	2.49
2019-03	2.49
2019-04	2.47
2019-05	2.44
2019-06	2.31
2019-07	2.19
2019-08	2.07
2019-09	1.95
2019-10	1.8
2019-11	1.62
2019-12	1.7
2020-01	1.58
2020-02	1.56
2020-03	1.44
2020-04	0.98
2020-05	0.28
2020-06	0.18
2020-07	0.14
2020-08	0.12
2020-09	0.12
2020-10	0.11
2020-11	0.13
2020-12	0.13
2021-01	0.1
2021-02	0.08
2021-03	0.08
2021-04	0.06
2021-05	0.05
2021-06	0.05
2021-07	0.06
2021-08	0.06
2021-09	0.06
2021-10	0.06
2021-11	0.08
2021-12	0.13
2022-01	0.15
2022-02	0.21
2022-03	0.63

D. 20-08-006 in A.19-01-001
 Appdx. B, page 1 of 12

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 <u>April 2019</u>	<u>Settlement</u>	<u>Cal-PA</u>
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%

0.8401%

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 2017-2018		Escalation	Escalation
	<u>Present Rates</u>	<u>Adopted Rates</u>	<u>Year</u> <u>2018-2019</u>	<u>Year</u> <u>2019-2020</u>
Operating Revenues	\$55,793.1	\$71,107.6	\$73,668.4	\$76,471.2
Operating Expenses				
Purchased Water & Assessments	\$17,697.4	\$17,697.4	\$17,965.1	\$18,175.2
Purchased Power	\$4,891.7	\$4,891.7	\$4,965.7	\$5,023.7
Chemicals	\$467.6	\$467.6	\$484.1	\$500.4
Payroll	\$5,456.9	\$5,456.9	\$5,618.3	\$5,795.7
Materials & Supplies	\$630.2	\$630.2	\$652.4	\$674.4
Transportation	\$1,013.3	\$1,013.3	\$1,049.0	\$1,084.4
Pensions & Benefits	\$2,797.6	\$2,797.6	\$2,880.4	\$2,971.3
Uncollectibles @ 0.2578%	\$142.6	\$181.2	\$187.8	\$195.0
Franchise Fees @ 0.6303%	\$348.6	\$444.9	\$461.0	\$478.7
Outside Services	\$736.3	\$736.3	\$768.1	\$801.5
Injuries & Damages	\$1,052.2	\$1,052.2	\$1,058.0	\$1,063.9
Regulatory Commission Expense	\$200.9	\$200.9	\$200.9	\$200.9
Utilities & Rents	\$107.0	\$107.0	\$110.8	\$114.5
Miscellaneous Expense	\$563.5	\$563.5	\$583.4	\$603.1
Administrative Expense Transferred	(\$1,072.3)	(\$1,072.3)	(\$1,110.1)	(\$1,147.5)
Subtotal	\$35,033.4	\$35,168.4	\$35,874.9	\$36,535.2
Bank Charges	\$67.2	\$67.2	\$69.6	\$72.0
Allocated Common Expenses	\$6,206.0	\$6,206.0	\$6,425.0	\$6,641.3
Total Operating Expense	\$41,306.7	\$41,441.6	\$42,369.4	\$43,248.5
Depreciation Expense	\$7,551.7	\$7,551.7	\$7,907.6	\$8,263.4
Ad Valorem Taxes	\$1,980.2	\$1,948.7	\$2,053.8	\$2,158.9
Payroll Taxes	\$535.3	\$535.3	\$551.2	\$568.6
Total Expense before Income Taxes	\$51,374.0	\$51,477.3	\$52,882.0	\$54,239.5
Net Revenue Before Income Taxes	\$4,419.1	\$19,630.3	\$20,786.4	\$22,231.8
State Income Tax	(\$210.5)	\$1,139.9	\$1,211.0	\$1,346.8
Federal Income Tax	(\$312.8)	\$5,033.7	\$5,286.7	\$5,773.7
Total Expenses	\$50,850.7	\$57,650.9	\$59,379.7	\$61,360.0
Net Operating Revenues	\$4,942.4	\$13,456.8	\$14,288.7	\$15,111.3
Rate Base	\$161,283.7	\$158,504.2	\$168,303.3	
Rate of Return	3.06%	8.49%	8.49%	

Consumption (Ccf)														
Year	2019													
Sum of Consumption		Division	Month											
Classification	Customer Classification	F											F Total	
		1	2	3	4	5	6	7	8	9	10	11		12
Residential	Residential	485,507	405,052	367,448	490,206	641,695	639,578	772,620	827,319	882,965	698,306	716,038	528,728	7,455,462
	Duplex Individually Metered	343	299	287	367	450	452	540	591	660	500	502	381	5,372
	Multi-family Residential	109,466	89,411	86,542	106,456	126,523	121,600	140,317	134,923	142,063	127,630	125,445	104,310	1,414,686
Residential Total		595,316	494,762	454,277	597,029	768,668	761,630	913,477	962,833	1,025,688	826,436	841,985	633,419	8,875,520
Commercial	Commercial	158,886	124,875	114,861	178,973	234,956	232,868	267,787	285,779	319,008	262,533	263,695	169,219	2,613,440
	Commercial - Niagara			25	201	374	386	327	567	386	407	496	371	3,540
Commercial Total		158,886	124,875	114,886	179,174	235,330	233,254	268,114	286,346	319,394	262,940	264,191	169,590	2,616,980
Industrial		29,202	30,540	31,626	35,376	36,704	35,638	39,473	39,291	41,494	38,368	79,425	52,344	489,481
	Industrial - Cal Steel	4,763	3,947	5,670	2,722	3,436	5,140	6,199	6,534	6,969	3,993	15,531	9,176	74,080
	Industrial - CEMEX	25,574	20,650	18,440	20,633	24,957	20,780	24,145	22,022	27,832	26,927	28,742	23,152	283,854
	Industrial - CEMEX Contract @ 53.575%													
	Industrial - Niagara	36,867	29,404	25,638	37,776	43,385	45,948	55,484	3,224	92,710	49,488	30,171	33,811	483,906
Industrial Total		96,406	84,541	81,374	96,507	108,482	107,506	125,301	71,071	169,005	118,776	153,869	118,483	1,331,321
Public Autho	Public Authority	77,523	32,874	35,481	118,199	140,854	158,803	204,667	204,417	205,182	158,659	140,807	70,710	1,548,176
	Public Authority Multi-Family	1,783	1,686	1,537	1,426	1,662	1,724	1,832	1,886	2,238	1,827	1,969	1,700	21,270
Public Authority Total		79,306	34,560	37,018	119,625	142,516	160,527	206,499	206,303	207,420	160,486	142,776	72,410	1,569,446
Fire	Fire													
	Fire - Niagara													
Fire Total														
Recycled	Public Authority Recycled	2,500	504	1,738	6,594	5,921	6,863	11,046	8,389	7,777	6,659	4,977	1,723	64,691
Recycled Total		2,500	504	1,738	6,594	5,921	6,863	11,046	8,389	7,777	6,659	4,977	1,723	64,691
Construction	Construction	6,694	4,069	5,656	19,299	10,366	8,135	10,905	15,829	25,740	17,247	21,051	(1,803)	143,188
Construction Total		6,694	4,069	5,656	19,299	10,366	8,135	10,905	15,829	25,740	17,247	21,051	(1,803)	143,188
Grand Total		939,108	743,311	694,949	1,018,228	1,271,283	1,277,915	1,535,342	1,550,771	1,755,024	1,392,544	1,428,849	993,822	14,601,146

(Recycled Contract)

Consumption (Ccf)													
Year	2020												
Sum of Consumption		Division Month											
		F											
Classification	Customer Classification	1	2	3	4	5	6	7	8	9	10	11	12
Residential	Residential	450,771	524,529	514,588	461,501	664,893	781,360	896,817	931,739	896,964	842,454	660,893	620,763
	Duplex Individually Metered	341	367	281	300	362	418	491	451	493	448	390	345
	Multi-family Residential	97,801	107,033	100,648	109,004	128,456	131,944	157,711	143,456	152,534	135,109	114,916	130,734
Residential Total		548,913	631,929	615,517	570,805	793,711	913,722	1,055,019	1,075,646	1,049,991	978,011	776,199	751,842
Commercial	Commercial	112,216	132,921	123,461	102,777	136,627	151,024	179,854	180,880	191,209	180,532	146,967	146,800
	Commercial - Niagara		6	5	3	3	2	5	4	4	3	3	4
Commercial Total		112,216	132,927	123,466	102,780	136,630	151,026	179,859	180,884	191,213	180,535	146,970	146,804
Industrial		41,965	35,745	34,688	34,414	35,165	37,076	48,332	45,572	46,930	41,482	37,071	34,019
	Industrial - Cal Steel	6,420	6,138	2,679	1,922	1,766	1,778	9,977	7,772	4,547	7,019	26,165	4,079
	Industrial - CEMEX	12,659	22,671	24,718	23,829	25,955	27,456	26,215	29,922	25,605	25,699	7,389	24,895
	Industrial - CEMEX Contract @ 53.575%												
	Industrial - Niagara	28,254	34,287	41,235	51,620	51,631	55,357	67,111	58,834	62,223	50,782	45,220	42,134
Industrial Total		89,298	98,841	103,320	111,785	114,517	121,667	151,635	142,100	139,305	124,982	115,845	105,127
Public Authority	Public Authority	26,756	43,327	27,751	25,477	52,700	64,649	77,193	79,181	76,919	55,694	40,030	44,545
	Public Authority Multi-Family	1,462	1,395	1,318	1,257	1,860	2,189	2,465	2,406	2,186	1,940	1,855	1,740
Public Authority Total		28,218	44,722	29,069	26,734	54,560	66,838	79,658	81,587	79,105	57,634	41,885	46,285
Irrigation	Landscape Irrigation	41,233	66,536	59,984	39,061	72,166	103,879	118,477	120,811	125,029	119,294	97,183	87,335
	Public Authority Irrigation	34,316	52,841	53,841	29,148	77,118	103,131	113,439	122,421	110,847	103,039	73,290	73,265
	Landscape Irrigation-Niagara	348	1,249	508	656	1,575	1,026	1,933	1,639	1,980	1,122	1,253	1,652
	Public Authority Irrigation - Niagara										96	77	74
Irrigation Total		75,897	120,626	114,333	68,865	150,859	208,036	233,849	244,871	237,856	223,551	171,803	162,326
Fire	Fire												
	Fire - Niagara												
Fire Total													
Recycled	Public Authority Recycled (Recycled Contract)	2,406	5,657	3,346	4,398	15,738	19,644	25,900	25,494	24,231	18,940	10,276	12,414
Recycled Total		2,406	5,657	3,346	4,398	15,738	19,644	25,900	25,494	24,231	18,940	10,276	12,414
Construction	Construction	4,407	10,381	7,570	3,667	13,004	10,964	14,093	8,177	8,588	10,809	29,467	16,370
Construction Total		4,407	10,381	7,570	3,667	13,004	10,964	14,093	8,177	8,588	10,809	29,467	16,370
Grand Total		861,355	1,045,083	996,621	889,034	1,279,019	1,491,897	1,740,013	1,758,759	1,730,289	1,594,462	1,292,445	1,241,168

Consumption (Ccf)													
Year	2021												
Sum of Consumption		Division Month											
		F											
Classification	Customer Classification	1	2	3	4	5	6	7	8	9	10	11	12
Residential	Residential	589,751	532,679	523,780	620,821	716,430	747,947	913,216	849,175	872,647	752,721	581,330	621,567
	Duplex Individually Metered	298	303	301	415	402	423	453	452	523	484	473	425
	Multi-family Residential	112,044	107,247	104,476	127,812	122,240	127,363	153,335	136,329	151,002	131,392	121,064	106,567
Residential Total		702,093	640,229	628,557	749,048	839,072	875,733	1,067,004	985,956	1,024,172	884,597	702,867	728,559
Commercial	Commercial	134,361	117,817	116,899	151,706	154,986	162,493	197,097	182,903	200,512	170,980	150,942	145,280
	Commercial - Niagara	4	5	6	6	5	4	7	6	5	5	4	4
Commercial Total		134,365	117,822	116,905	151,712	154,991	162,497	197,104	182,909	200,517	170,985	150,946	145,284
Industrial		29,879	34,855	32,811	40,189	36,749	35,886	40,679	41,073	56,890	52,773	60,091	37,637
	Industrial - Cal Steel	6,138	7,680	4,336	4,238	7,198	8,881	11,599	19,043	35,960	37,962	31,760	5,564
	Industrial - CEMEX	26,408	24,545	21,238	21,308	28,135	28,134	25,855	25,906	28,021	23,366	25,561	21,779
	Industrial - CEMEX Contract @ 53.575%												
	Industrial - Niagara	39,878	49,305	49,757	67,951	65,094	66,177	79,002	73,788	81,247	70,343	69,271	58,773
Industrial Total		102,303	116,385	108,142	133,686	137,176	139,078	157,135	159,810	202,118	184,444	186,683	123,753
Public Authority	Public Authority	36,006	32,900	32,416	56,747	62,603	68,052	88,284	75,984	81,510	59,297	50,342	26,471
	Public Authority Multi-Family	1,680	1,590	1,576	1,815	1,737	1,770	2,122	1,841	2,069	1,871	1,603	1,548
Public Authority Total		37,686	34,490	33,992	58,562	64,340	69,822	90,406	77,825	83,579	61,168	51,945	28,019
Fire	Fire												
	Fire - Niagara												
Fire Total													
Recycled	Public Authority Recycled <i>(Recycled Contract)</i>	7,577	5,224	6,201	13,487	15,555	19,751	23,474	19,190	20,104	10,006	11,804	3,552
Recycled Total		7,577	5,224	6,201	13,487	15,555	19,751	23,474	19,190	20,104	10,006	11,804	3,552
Construction	Construction	13,275	2,784	(4,216)	10,306	14,884	7,534	6,322	6,060	4,714	5,355	6,278	14,891
Construction Total		13,275	2,784	(4,216)	10,306	14,884	7,534	6,322	6,060	4,714	5,355	6,278	14,891
Irrigation	Landscape Irrigation	68,468	50,327	56,250	77,308	94,665	99,671	122,529	114,692	123,152	105,109	87,925	79,017
	Public Authority Irrigation	59,093	45,959	55,795	72,895	87,729	95,468	117,555	110,263	107,142	81,133	58,681	48,674
	Landscape Irrigation-Niagara	2,003	1,087	742	342	2,006	1,140	1,463	1,203	1,266	1,158	1,037	631
	Public Authority Irrigation - Niagara			45	77	91	91	134	141	160	128	84	26
Irrigation Total		129,564	97,373	112,832	150,622	184,491	196,370	241,681	226,299	231,720	187,528	147,727	128,348
Grand Total		1,126,863	1,014,307	1,002,413	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

Consumption (Ccf)				
Year	2022			
Sum of Consumption		Division	Month	
		F		
Classification	Customer Classification	1	2	3
Residential	Residential	468,172	557,354	555,192
	Duplex Individually Metered	388	387	288
	Multi-family Residential	101,975	113,578	110,420
Residential Total		570,535	671,319	665,900
Commercial	Commercial	118,135	141,363	145,893
	Commercial - Niagara	3	3	3
Commercial Total		118,138	141,366	145,896
Industrial		38,254	43,728	43,320
	Industrial - Cal Steel	8,117	7,976	12,039
	Industrial - CEMEX	20,626	24,722	31,151
	Industrial - CEMEX Contract @ 53.575%			
	Industrial - Niagara	60,982	73,255	64,537
Industrial Total		127,979	149,681	151,047
Public Authority	Public Authority	29,094	45,410	48,299
	Public Authority Multi-Family	1,462	1,317	1,303
Public Authority Total		30,556	46,727	49,602
Fire	Fire			
	Fire - Niagara			
Fire Total				
Recycled	Public Authority Recycled	5,469	9,995	10,186
Recycled Total		5,469	9,995	10,186
Construction	Construction	3,565	14,173	9,470
Construction Total		3,565	14,173	9,470
SGVW	Payment Plan			
SGVW Total				
Irrigation	Landscape Irrigation	38,900	65,480	79,109
	Public Authority Irrigation	26,441	56,658	59,869
	Landscape Irrigation-Niagara	246	411	625
	Public Authority Irrigation - Niagara		52	70
Irrigation Total		65,587	122,601	139,673
Grand Total		921,829	1,155,862	1,171,774

(Recycled Contract)

CEMEX NON-POTABLE WATER
QUANTITY CHARGES
 Agreement Dated November 21, 2000
 Rates per Ccf

Effective Date	Schedule No. FO-1 Quantity Rate			Base Contract Rate *
	Base Rate	Surcharge	Total	
(a)	(b)	(c)	(d)	(e)
05/06/17	\$2.7772	\$0.5336	\$3.3108	\$1.537
07/01/17	\$3.4884	\$0.5394	\$4.0278	\$1.870
07/25/17	\$3.4884	\$0.5353	\$4.0237	\$1.868
08/01/17	\$3.4884	\$0.6400	\$4.1284	\$1.916
08/13/17	\$3.4884	\$0.7884	\$4.2768	\$1.985
09/13/17	\$3.4884	\$0.6444	\$4.1328	\$1.918
09/15/17	\$3.4525	\$0.5177	\$3.9702	\$1.843
01/01/18	\$3.5157	\$0.5177	\$4.0334	\$1.872
02/01/18	\$3.5157	\$0.3825	\$3.8982	\$1.809
07/01/18	\$3.4771	\$0.6760	\$4.1531	\$1.928
08/12/18	\$3.4771	\$0.5276	\$4.0047	\$1.859
09/15/18	\$3.4771	\$0.5360	\$4.0131	\$1.863
10/01/18	\$3.4206	\$0.6614	\$4.0820	\$1.895
01/01/19	\$3.3839	\$0.6614	\$4.0453	\$1.878
03/07/19	\$3.3839	\$0.7105	\$4.0944	\$1.900
07/01/19	\$3.3917	\$0.6733	\$4.0650	\$1.887
08/19/20	\$3.5200	\$0.9142	\$4.4342	\$2.058
10/01/20	\$3.5200	\$0.7888	\$4.3088	\$2.000
01/01/21	\$3.5705	\$0.7888	\$4.3593	\$2.023
07/01/21	\$3.8330	\$0.5325	\$4.3655	\$2.026
08/19/21	\$3.8330	\$0.2880	\$4.1210	\$1.913
1/1/2022	\$4.0431	\$0.2880	\$4.3311	\$2.010
3/7/2022	\$4.0431	\$0.2389	\$4.2820	\$1.9875

$$1 - (\$1.9875 \div \$4.282) = \$3.5786$$

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

Billing Month	2019			2022		
	Contract	Tariff	Total Ccf	Contract	Tariff	Total Ccf
Jan	7,603	17,971	25,574	5,495	15,131	20,626
Feb	6,315	14,335	20,650	5,827	18,895	24,722
Mar	5,341	13,099	18,440	5,397	25,754	31,151
Apr	6,931	13,702	20,633	5,441	32,925	38,366
May	6,823	18,134	24,957	0	0	0
Jun	7,513	13,267	20,780	0	0	0
Jul	8,468	15,677	24,145	0	0	0
Aug	9,886	12,136	22,022	0	0	0
Sep	8,320	19,512	27,832	0	0	0
Oct	8,274	18,653	26,927	0	0	0
Nov	7,044	21,698	28,742	0	0	0
Dec	6,767	16,385	23,152	0	0	0
Total	89,285	194,569	283,854	22,160	92,705	114,865
	31%	69%	100%	19%	81%	100%

Billing Month	2020		
	Contract	Tariff	Total Ccf
Jan	8,530	4,129	12,659
Feb	7,714	14,957	22,671
Mar	7,224	17,494	24,718
Apr	7,031	16,798	23,829
May	7,497	18,458	25,955
Jun	8,680	18,776	27,456
Jul	7,728	18,487	26,215
Aug	10,866	19,056	29,922
Sep	8,168	17,437	25,605
Oct	8,111	17,588	25,699
Nov	8,446	17,719	26,165
Dec	7,863	17,032	24,895
Total	97,858	197,931	295,789
	33%	67%	100%

Billing Month	2021		
	Contract	Tariff	Total Ccf
Jan	8,786	17,622	26,408
Feb	7,291	17,254	24,545
Mar	6,959	14,279	21,238
Apr	6,655	14,653	21,308
May	6,779	21,356	28,135
Jun	6,577	21,557	28,134
Jul	6,105	19,750	25,855
Aug	8,582	17,324	25,906
Sep	8,518	19,503	28,021
Oct	7,255	16,111	23,366
Nov	5,453	20,108	25,561
Dec	4,615	17,164	21,779
Total	83,575	216,681	300,256
	28%	72%	100%