

SCHEDULE E-2
DESCRIPTION OF LOW-INCOME RATE ASSISTANCE PROGRAMS

For all low income rate assistance programs offered by water utility, provide detailed responses to the following items:

1. *Brief description of each low-income rate assistance program provided, by district. This shall include but is not limited to the percent of discount, the dollar amount of discount, what rate is discounted (service charge, quantity, or total bill), qualifying income level, dollar rate increase to remaining customers to pay for this program.*

In 2005, San Gabriel Valley Water Company (“San Gabriel”) initiated separate but identical California Alternative Rates for Water (CARW) programs in each of its two ratemaking divisions. To qualify for the CARW program, a customer must be within the Residential class, reside in a single family dwelling or duplex, be served through a 1-inch or smaller meter, and have a household income within the standards published annually by the California Public Utilities Commission. Customers also automatically qualify for the CARW program if they have qualified for the Energy Utility CARE Program. The monthly fixed-charge discounts below were established by D.17-06-008 for the Los Angeles County Division and for the Fontana Water Company Division.

<u>Meter Size</u>	<u>LA County</u>	<u>Fontana</u>
5/8” x 3/4”	\$9.00	\$9.00
3/4”	\$9.00	\$9.00
1”	\$9.00	\$9.00

In the Los Angeles County division, forecasted costs are recovered through a \$0.2128/Ccf surcharge billed to non-CARW customers, subject to later true-up. In the Fontana Water Company division, forecasted costs are recovered through a \$0.2425/Ccf surcharge billed to non-CARW customers, subject to later true-up.

2. *Participation rate for Year 2018 (as a percent of total residential customers served).*

At year end, 19,598 customers or 50.6% of the adopted 38,742 residential single-family customers with a 1-inch or smaller meter qualified for the CARW program in the Los Angeles County division, and 23,285 customers or 56.6% of the adopted 41,128 residential single-family customers with a 1-inch or smaller meter qualified for the CARW program in the Fontana Water Company division.

3. *Details of balancing or memorandum account authorized to record expenses incurred and revenues collected for low income rate assistance program.*

At year end, the total undercollected balance in the CARW balancing accounts was \$782,493.

**SCHEDULE E-3
DESCRIPTION OF WATER CONSERVATION PROGRAMS**

San Gabriel Valley Water Company (“San Gabriel” or the “Company”) hereby provides responses to Schedule E-3 of the Annual Report, Description of Water Conservation Programs in conformance with Commission Decision No. 11-05-004.

1. Provide a brief description of each water conservation program offered by the water company, by district. This description shall include but not limited to the type of program offered (such as provision of low-flow plumbing fixtures, leak detection, leak repair, written water conservation tips, or other similar programs to its customer, whether offered with a third party, whether direct install or rebate, and length of time the program was offered.

Los Angeles County Division

- 1) Recycled Water – In 2018, the Company partnered with Upper San Gabriel Valley Municipal Water District, Central Basin Municipal Water District and County Sanitation Districts of Los Angeles to deliver 1,677 acre feet (approximately 5% of the Company’s total supply) of recycled water to various customers for non-potable landscape irrigation in place of limited drinking water supplies.
- 2) Low-Flow Plumbing Fixture Rebates – The Company offers its residential customers a rebate on high efficiency clothes washers (“HECW”), landscape rotating nozzles and weather-based irrigation controllers. The Company offers its commercial, industrial, and institutional (“CII”) customers a rebate on large rotary nozzles, high efficiency toilet (“HET”), zero water urinals, pH-cooling tower conductivity controllers, dry vacuum pumps, connectionless food steamers, and ice-making machines.
- 3) Large Landscape Irrigation Efficiency – The Company facilitates installation of wireless irrigation management systems to assist large landscape customers with monitoring water usage and reducing their irrigation demands.
- 4) CII Water Use Audit – The Company offers its CII customers a water audit to identify inefficient indoor water fixtures and outdoor irrigation systems that need to be retrofitted or replaced. Each customer receives a report that describes the needed improvements and resulting estimated water savings.
- 5) CII Retrofit – The Company provides financial assistance to CII customers to help offset the cost of implementing the improvements recommended in the CII Audit Reports.
- 6) HET and Rain Barrel Distribution – The Company hired EcoTech Services, Inc. to deliver HETs and Rain Barrels to residential customers. Each residential customer is eligible to receive a maximum of two HETs and Rain Barrels per household and have them installed within one month. After a month, participants of the programs are subject to a random inspection.

- 7) Water Conservation Kits – Water conservation kits include 1.5 gallons per minute (“GPM”) showerhead, a 1.5 GPM flow dual spray kitchen aerator, and a 1 GPM aerator. The kits are distributed to residential and CII customers at the Company’s commercial offices, during conservation events and after completion of a residential water audit conducted at the customer’s home.
- 8) Single-Family Residential Audits – The Company offers free water conservation surveys to assist residential customers who are interested in reducing their indoor and outdoor water usage.
- 9) School Conservation Education – The Company contracted with the National Theatre for Children (“NTC”) to provide educational presentations in schools within its Los Angeles County division service area. NTC provides all required instructional assistance, educational materials and classroom presentations. A total of 17 presentations were completed during the 2018-2019 school year.
- 10) School Conservation Education – The Company contracted with the Eco Voices to provide educational presentations in schools within its Los Angeles County division service area. Eco Voices provides all required instructional assistance, educational materials and classroom presentations. A total of 15 presentations were completed during the 2018-2019 school year.
- 11) HECW Distribution with Southern California Gas Company – Low Income Residential customers are eligible to receive a HECW.
- 12) Education/Public Outreach – The Company participated in numerous local public events in calendar year 2018 by providing water conservation materials and helping customers become more water efficient. These events include, but are not limited to, the following:

<u>Date</u>	<u>Name of Event</u>
March 22	Taste and Sound of El Monte and South El Monte
April 7	Montebello Community Expo
April 14	Sanitation District Earth Day
April 20	El Monte Earth Day
April 28	Baldwin Park Arbor Day Celebration
July 25	El Monte Concert in the Park
August 2	Montebello Concert in the Park
August 7	National Night Out
August 8	Back to School Resource Fair
September 6	Local Business Expo
October 13	WaterFest

Fontana Water Company Division

- 1) Recycled Water – In partnership with the City of Fontana and Inland Empire Utilities Agency, Fontana Water Company division began delivery of recycled water from its 1158 Zone Recycled Water Project. Deliveries for 2018 totaled 163 acre feet.
- 2) HET Direct Installation for California Alternative Rate for Water Customers – The Company works with EcoTech Services Inc. to provide and install a maximum of two HETs per household to eligible California Alternative Rates for Water Customers.
- 3) HET Distribution – The Company hired EcoTech Services, Inc. to deliver HETs to residential customers. Each residential customer is eligible to receive a maximum of two HETs per household and have them installed within one month. After a month, participants of the program are subject to a random inspection.
- 4) CII Water Use Audit – The Company offers its CII customers a water audit to identify inefficient indoor water fixtures and outdoor irrigation systems that need to be retrofitted or replaced. Each customer receives a report that describes recommended improvements and the resulting estimated water savings.
- 5) CII Retrofit – The Company provides financial assistance to CII customers to help offset the cost of implementing the improvements recommended in the CII Audit Reports. One such project was the Woman’s Club of Fontana, please see number 12 for details.
- 6) Water Conservation Kits – Water conservation kits include a 1.5 GPM showerhead, a 1.5 GPM flow dual spray kitchen aerator, and a 1 GPM aerator. Kits are distributed to residential and CII customers at the Company’s commercial office, during conservation events and after a residential water audit is completed at the customer’s home.
- 7) Single-Family Residential Audits – The Company offers free water conservation audits to assist residential customers interested in reducing their indoor and outdoor water usage.
- 8) Gardening Workshop – The Company offers gardening workshops to provide its customers with helpful information about efficient landscaping and water use. Participates receive a gardening magazine, brochures on water saving tips for outdoor use and information on native California plants.
- 9) The Water-Energy Community Action Network (“WECAN”) with Santa Ana Watershed Project Authority (“SAWPA”). This program supported by the California Greenhouse Gas Reduction Fund, helps the people of California adapt to climate change, mitigate their carbon emissions, and supports low-income communities as they seek water and energy savings. The SAWPA grant program provides two main components at no cost to the resident: Free Water Fixture Replacement and Free Lawn Replacement. The Company works in cooperation with SAWPA to convert turf area into water-efficient

landscape in front yards with a minimum 500 square foot and maximum of 1,000 square foot requirement.

- 10) Weather Based Irrigation Controller (“WBIC”) and High Efficiency Nozzle Residential Retrofit and Installation Pilot Program – The Company hired EcoTech Services, Inc. to evaluate the customer’s existing irrigation system and install a WBIC and nozzles. Upon completion of the retrofit and installation, EcoTech confirms that the irrigation system is working properly and trains the customers on their new WBIC, including how to make adjustments and program it.
- 11) HECW Distribution with Southern California Gas Company – Low-income residential customers are eligible to receive a HECW. Southern California Gas Company hired contractors to evaluate the customer current fixtures and to replace the unit with one that is both energy efficient and water saving. Southern California Gas Company confirms that the customer is enrolled in a low-income assistance rate paying program.
- 12) Woman’s Club of Fontana Landscape Retrofit and Redesign – The Company partnership with the mayor of Fontana, Acquanetta Warren, local clubs and other local businesses could help modernize the Woman's Club with both landscape plants and irrigation fixtures. October 2018 concluded a 1 year follow up for the site for any new issues that occurred since the retrofit work.
- 13) Education/Public Outreach – The Company participated in numerous local public events in calendar year 2018. At these events, customers were provided water conservation materials and education on becoming more water efficient. These events include, but are not limited to, the following:

<u>Date</u>	<u>Name of Event</u>
March 3	Garden Intro Workshop
March 17	Landscape Design & Planning Workshop
March 24	Irrigation & Water Capture Workshop
April 7	CVWD Earth Day
April 14	Water-Efficient/Native Plants Workshop
April 28	Plant Maintenance/Pruning/Mulch Workshop
May 8	City of Fontana Proclamation Presentation of Water Awareness Month
May 19	Garden Intro Workshop
May 31 to June 3	104 th Fontana Days Festival

2. For each water conservation program described above, prepare an estimated conservation savings report in the following basic format (If it is necessary to deviate from this table, provide estimated program savings).

See Attachment A for details.

INFORMATION-ONLY CONSERVATION DATA REPORT

1. *Baseline average (from 2003-2007 or 10-year baseline if it includes 2003-2007 and only includes years prior to the adoption of a conservation rate design) estimated monthly per customer or service connection consumption by ratemaking district, separated by customer class and meter size. If the water company elects to use a baseline in reliance on the Department of Water Resources methodology developed to implement SBX7-7 without calendar years 2003-2007, the water company shall attach workpapers to support the use of that baseline.*

San Gabriel utilized the methodologies developed by Department of Water Resources to calculate baseline per capita water use expressed in gallons per capita per day (“GPCD”). These baselines, which are detailed in the Company’s adopted 2015 Urban Water Management Plans, on file with the Commission, are 161 GPCD for the Los Angeles County division and 220 GPCD for the Fontana Water Company division.

2. *Average estimated monthly per customer consumption in one hundred cubic feet by ratemaking district, separated by customer class and meter size.*

San Gabriel’s conservation tiered rate design applies only to the residential single family customer classification.

Los Angeles County Division

Meter Size	Average Monthly Residential Consumption (Ccf)	Average Residential Connections	Average Monthly Consumption per Customer (Ccf)
5/8"	368,971	30,841	11.9
3/4"	49,559	2,923	16.9
1"	72,563	4,958	14.6
1 1/2"	2,883	75	38.4
2"	1,321	23	57.4

Fontana Water Company Division

Meter Size	Average Monthly Residential Consumption (Ccf)	Average Residential Connections	Average Monthly Consumption per Customer (Ccf)
5/8"	342,312	22,815	15.0
3/4"	1,026	56	18.3
1"	320,059	18,832	17.0
1 1/2"	244	8	30.6
2"	387	6	64.5

3. *Comparison table including baseline and annual average estimated consumption by ratemaking district, separated by customer class and meter size, for each year following implementation of conservation rate designs, with the percentage reduction in consumption calculation by district and by customer class and meter size within in ratemaking district.*

San Gabriel's baseline per capita water use is 161 GPCD for the Los Angeles County division and 220 GPCD for the Fontana Water Company division. The method to calculate per capita water use in GPCD is not comparable to the annual average estimated consumption in hundred cubic feet. However, the following Table shows 2018 annual average consumption by ratemaking district.

Los Angeles County Division

Meter Size	Annual Residential Conservation Rate Customer Consumption (Ccf)	Average Residential Conservation Rate Connections	Annual Average Consumption (Ccf)
5/8"	4,427,655	30,841	143.5
3/4"	594,712	2,923	203.4
1"	870,750	4,958	175.6
1 1/2"	34,598	75	461.3
2"	15,854	23	689.3

Fontana Water Company Division

Meter Size	Annual Residential Conservation Rate Customer Consumption (Ccf)	Average Residential Conservation Rate Connections	Annual Average Consumption (Ccf)
5/8"	4,107,745	22,815	180.0
3/4"	12,310	56	219.8
1"	3,840,702	18,832	203.9
1 1/2"	2,933	8	366.6
2"	4,643	6	773.8

4. Average estimated monthly consumption per tier or block separated by ratemaking district, by meter size, and by customer class, and the number of customers in each sub-grouping.

Los Angeles County Division

	Average Monthly Residential Conservation Rate Customer Consumption (Ccf)	Average Residential Conservation Rate Connections	Monthly Average Consumption (Ccf)
5/8"	368,971	30,841	11.9
Tier 1	293,385	30,841	9.5
Tier 2	75,586	30,841	2.4
3/4"	49,559	2,923	16.9
Tier 1	30,928	2,923	10.6
Tier 2	18,631	2,923	6.4
1"	72,563	4,958	14.6
Tier 1	47,526	4,958	9.6
Tier 2	25,037	4,958	5
1 1/2"	2,883	75	38.4
Tier 1	866	75	11.5

Tier 2	2,017	75	26.9
2"	1,321	23	57.4
Tier 1	270	23	11.7
Tier 2	1,051	23	45.7

Fontana Water Company Division

	Average Monthly Residential Conservation Rate Customer Consumption (Ccf)	Average Residential Conservation Rate Connections	Monthly Average Consumption (Ccf)
5/8"	342,312	22,815	15.0
Tier 1	267,259	22,815	11.7
Tier 2	75,053	22,815	3.3
3/4"	1,026	56	18.3
Tier 1	689	56	12.3
Tier 2	337	56	6.0
1"	320,059	18,832	17.0
Tier 1	236,000	18,832	12.5
Tier 2	84,058	18,832	4.5
1 1/2"	244	8	30.5
Tier 1	106	8	13.3
Tier 2	138	8	17.3
2"	387	6	64.5
Tier 1	58	6	9.7
Tier 2	329	6	54.8

5. Estimated monthly number of customers by district, monthly number of disconnection notices generated to those customers, number of customers disconnected for non-payment, and number of customers reconnected.

Los Angeles County Division

	Monthly Average
Total Residential Conservation Rate Customers	38,820
Disconnection Notices	6,454
Disconnected for Non-Payment	224
Reconnected	224

Fontana Water Company Division

	Monthly Average
Total Residential Conservation Rate Customers	41,717
Disconnection Notices	8,771
Disconnected for Non-Payment	714
Reconnected	323

6. *Estimated monthly Best Management Practice (“BMP”) compliance costs, by district, separated by customer class, coverage goals or flex track menu (by measure).*

The estimated monthly BMP compliance cost for 2018 was \$28,264 for the Los Angeles County division and \$18,225 for the Fontana Water Company division.

7. *Any other district-specific factor (such as changes in weather, increases in supply from recycled water, or economic factors) that might contribute to consumption changes.*

San Gabriel’s Los Angeles County division delivered 1,677 acre feet (730,501Ccf) and Fontana Water Company division delivered 163 acre feet (71,002 Ccf) of recycled water in 2018 to its CII customers. Recycled water is accounted for in the DWR per-capita water use calculation, and as such its increased use in place of potable water would lower GPCD water use.

INFORMATION-ONLY FILING LOW-INCOME DATA REPORT

1. *Average estimated monthly per customer or service connection low-income customer consumption in one hundred cubic feet by ratemaking district, separated by meter size*

Los Angeles County Division

Meter Size	Average Monthly Residential Conservation Rate Low-Income Consumption (Ccf)	Average Low-Income Residential Conservation Rate Connections	Average Monthly Consumption (Ccf)
5/8"	200,569	16,247	12.3
3/4"	13,264	814	16.3
1"	21,300	1,778	12

Fontana Water Company Division

Meter Size	Average Monthly Residential Conservation Rate Low-Income Consumption (Ccf)	Average Low-Income Residential Conservation Rate Connections	Average Monthly Consumption (Ccf)
5/8"	227,597	14,863	15.3
3/4"	503	27	18.6
1"	130,477	7,663	17.0

2. Average estimated monthly consumption per tier or block separated by ratemaking district, by meter size, and by customer class for low-income customers and the number of customers in each sub-grouping.

Los Angeles County Division

	Average Monthly Residential Conservation Rate Low-Income Consumption (Ccf)	Average Low-Income Residential Conservation Rate Connections	Average Monthly Consumption (Ccf)
5/8"	200,569	16,247	12.3
Tier 1	160,045	16,247	9.8
Tier 2	40,524	16,247	2.5
3/4"	13,264	814	16.3
Tier 1	8,605	814	10.6
Tier 2	4,659	814	5.7
1"	21,300	1,778	12
Tier 1	16,385	1,778	9.2
Tier 2	4,915	1,778	2.8

Fontana Water Company Division

	Average Monthly Residential Conservation Rate Low-Income Consumption (Ccf)	Average Low-Income Residential Conservation Rate Connections	Average Monthly Consumption (Ccf)
5/8"	227,597	14,863	15.3
Tier 1	179,219	14,863	12.1
Tier 2	48,378	14,863	3.3
3/4"	503	27	18.6
Tier 1	343	27	12.7
Tier 2	159	27	5.9
1"	130,477	7,663	17.0
Tier 1	97,140	7,663	12.7
Tier 2	33,337	7,663	4.4

3. *Estimated monthly number of participating low-income customers by district, monthly or bimonthly number of disconnection notices generated to those customers, number of customers disconnected for non-payment and number of customers reconnected, for all low-income customers;*

Los Angeles County Division

	Monthly Average
Total Low-Income Conservation Rate Customers	18,839
Disconnection Notices	Not Available
Disconnected for Non-Payment	103
Reconnected	53

Fontana Water Company Division

	Monthly Average
Total Low-Income Conservation Rate Customers	22,553
Disconnection Notices	Not Available
Disconnected for Non-Payment	436
Reconnected	212

4. *Average low-income customer household size and average estimated monthly consumption by ratemaking district for low-income households of 5 or more, and the number of customer in each subgrouping;*

Los Angeles County Division

	Monthly Average
Average Low-Income Conservation Rate Customer Household Size	6
Average Estimated Consumption for Low-Income Conservation Rate Customer's Households of 5 or more	14.0

Fontana Water Company Division

	Monthly Average
Average Low-Income Conservation Rate Customer Household Size	6
Average Estimated Consumption for Low-Income Conservation Rate Customer's Households of 5 or more	16.2

5. *Low-income customers that participate in conservation programs*

- *Describe the water conservation programs by ratemaking district(s).*

The Los Angeles County division, in cooperation with its regional wholesale water suppliers, provides a number of programs to residential low-income customers. These programs include rebates, direct installation of high efficiency water saving devices, water audits, high-efficiency toilet distribution program and education and public outreach.

The Fontana Water Company division provides various conservation programs in cooperation with its regional wholesale water suppliers such as: High-efficiency toilet installation programs, residential water surveys, gardening classes, convert turf in front yards, and education and public outreach.

- *Identify whether it is offered with a third party,*

The Los Angeles County division coordinates its low income programs with the Metropolitan Water District of Southern California, Upper San Gabriel Valley Municipal Water District and Central Basin Municipal Water District.

The Fontana Water Company division coordinates its low-income program with Metropolitan Water District of Southern California, Inland Empire Utilities Agency and Santa Ana Watershed Project Authority.

- *Specify how low-income customers are targeted by or included in the program, describe outreach efforts used to reach low income program participants (application, re-certification, separate outreach), length of time the program been offered, and criteria used to establish the success of the program.*

Low-income program applications are available in San Gabriel's commercial offices, our website www.sgvwater.com and www.fontanawater.com, and during conservation events. San Gabriel uses a number of methods to inform low-income customers about various conservation programs. Each year, all customers receive a bill insert that provides information and application regarding the California Alternative Rates program. Targeted programs to low-income customers included direct mailing of post cards, distributing flyers at public events and posting information in each of the Company's commercial offices.

Schedule E-3
Los Angeles County Division
2018

A	B	C	D	E	F	G	H	I	J
Name of Measure, as listed in Decision or Settlement	Description of Measure	Authorized \$	# of Units/activities purchased, provided, performed	\$ per unit activity, etc.	Total \$ spent	Designed water saving per unit per year	Unit lifespan**	Estimated Annual measure savings (AFY)	Estimated Lifetime measure savings (AF)
					(D X E)			(D X G)	(I X H)
Regional Programs (Rebates)									
Rain Barrels Distribution Program	Rain Barrels		41	120	\$4,920				
Local Programs									
Residential									
Direct Installation of High Efficiency Clothes Washer Program with Southern California Gas Company	High Efficiency Clothes Washer		64	150	\$9,600	0.1075	20	6.9	137.6
Controller and Nozzle Retrofit	WBIC		126	470		0.325	7.5	41.0	307.1
	Sprinkler Nozzles		5360	4 to 9	\$83,612	0.0044	5	23.6	117.9
High Efficiency Toilet Distribution Program	High Efficiency Toilets		152	200	\$30,400	0.0517	20	7.9	157.2
Commercial, Industrial & Institutional (CII)									
Public Education & Outreach									
Educational Materials and Outreach	Promotional materials, postage, conservation meetings, event sponsorships, CUWCC dues, employee education, over time, and ads				\$100,933				
Grand Total			\$494,169		\$278,454			79	720

* If not specifically listed, state the category in which the activity and or program falls and rationale for including this particular activity

** This may not apply to all activities, e.g., public information/education

Schedule E-3
Fontana Water Company Division
2018

A	B	C	D	E	F	G	H	I	J
Name of Measure, as listed in Decision or Settlement*	Description of Measure	Authorized \$	# of Units/activities purchased, provided, performed	\$ per unit activity, etc.	Total \$ spent	Designed water saving per unit per year	Unit lifespan **	Estimated Annual measure savings (AFY)	Estimated Lifetime measure savings (AF)
					(D x E)**			(D x G)	(I x H)
Regional Programs									
1. Rebates Incentives	IEUA rebate program for both Residential and CII customers. ***		11481	varies	\$0	varies	varies	86.4	1101.9
Residential									
2. Water Conservation Kits	1.5 GPM showerhead, 1.5 GPM kitchen aerator, and 1.0 GPM aerator Less 30% of Uninstalled Kits		225		\$0				
3. Weather Based Irrigation Controller and High Efficiency Nozzle Residential Retrofit and Installation Pilot Program	WBIC Sprinkler Nozzles		158			0.1466	10.0	23.1	230.9
			70	\$470	\$69,288	0.325	7.5	22.8	170.6
			2798	\$4 to \$7		0.0044	5.0	12.3	61.6
4. High Efficient Toilet Direct Install Program for CARW	Replacing and installing 3.5 GPF toilets with new 0.8 GPF toilet for CARW customers. Program with EcoTech. Supplies and Ads for program		238	\$215 to \$330	\$68,505	0.0425	20	10.1	202.3
					\$0				
5. Residential Direct Mail Toilet Exchange Program	Delivering new toilets to customers to replace existing 3.5 GPF toilets with new 0.8 GPF toilet for all customers. Program with EcoTech. Supplies and Ads for program		181	\$215 to \$230	\$41,495	0.0425	20	7.7	153.9
					\$0				
6. 6 Water Wise Smart Gardening Workshops	FWC offers gardening workshops to provide customers information about efficient landscape and water use. Eligibilities to customers who attended on participating in WBIC & Nozzle install program.		6		\$5,786				
7. HE Clothes Washers for CARW customers	Replacing clotheswashers with new HE units. Program with SoCal Gas Co.		378	\$150	\$56,700	0.0345	14	13.0	182.6
8. SAWPA Grant WECAN Program	The completion of the program was in July 2018. Program is convert turf area into water-efficient landscape in front yards for low-income homes.		32226	33 sites	\$0	0.00013	10	4.2	41.9
Commercial, Industrial & Institutional (CII)									
9. Woman's Club of Fontana Turf and Landscape Retrofit	1 year follow up on any site issues was completed in Oct. 2018. Removed 2,250 sq ft of existing grass and replaced with plants. installed 1 WBIC and 43 nozzles.		1		\$8,400	varies	varies	0.8	7.5
Education and Public Outreach									
10. Education and Public Outreach Materials / Other	Promotional materials, postage, conservation meetings, event sponsorships, membership dues, employees education, over time, and ads.				\$7,810				
Grand Total		\$431,344			\$257,983			190.3	2228.8

* If not specifically listed, state the category in which the activity and or program falls and rationale for including this particular activity

** This may not apply to all activities, e.g., public information/education

*** Based off IEUA Annual Water Use Efficiency Program Reports

Appendix C

**Compliance Plan Included as Part of
San Gabriel Valley Water Company's
2018
Annual P.U.C. Report**

**California Public Utilities Commission
Affiliate Transaction Rule VIII.C.
Compliance Plan**

**Adopted in D.10-10-019
And Amended Pursuant to Resolution No. W-4984**

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ATTACHMENTS

ATTACHMENT A – List of Affiliates Required by RULE VIII.C.1.

ATTACHMENT A-1 – List of Shared Officers and Directors

ATTACHMENT B – Services Agreement

ATTACHMENT C – Verification

ATTACHMENT D – Verification

San Gabriel Valley Water Company

Affiliated Company Transaction Procedures

March 20 2019

INTRODUCTION

As a Class A water utility subject to California Public Utilities Commission (“Commission”) regulation, San Gabriel must follow the applicable affiliate transaction rules (“ATRs”) adopted in Commission decision 10-10-019 in Order Instituting Rulemaking (“OIR”) 09-04-012 and supplemented pursuant to Resolution W-4984. The Affiliated Company Transaction Procedures provides employees who perform support services for affiliated companies with guidance in the form of procedures or rules concerning transactions between San Gabriel and its affiliates.

Employees are directed to follow these written procedures regarding the permitted and restricted transactions and use of proprietary or confidential utility information between San Gabriel and its affiliates. Failure to comply with these rules could subject the company to Commission imposed sanctions.

I. Affiliates of San Gabriel

Attachment A contains a list of all affiliates of San Gabriel and a description of each affiliates business activities. All transactions between San Gabriel and the affiliates listed in **Attachment A** are subject to the cost allocation rules described in the Services Agreement which is attached hereto as **Attachment B**. Other rules may or may not apply depending on the circumstance of each rule separately.

II. Shared Corporate Support

The ATRs permit San Gabriel to continue performing corporate support services on behalf of its affiliates including, among other things, corporate governance and oversight, tax planning and preparation services, accounting services, insurance, financial planning and

reporting, and legal services, etc. The provision of corporate support services shall not provide a means for the transfer of confidential non-public information from San Gabriel to an affiliate that would create the opportunity for preferential treatment or unfair competitive advantage, lead to customer confusion or create significant opportunities for cross-subsidy of affiliates.

San Gabriel has been providing such services for its affiliates since September 1, 1993 pursuant to the Services Agreement entered into as a result of the stipulation for settlement between San Gabriel and Commission Staff, adopted and approved by the Commission in D.93-09-036 and subsequently approved by the Commission in numerous rate case decisions. That agreement continues to apply to San Gabriel and its affiliates and is incorporated with minor updates, into this Affiliated Company Transaction Procedures as **Attachment B**.

III. Utility Operations and Service Quality

- A. San Gabriel is now and shall continue to be in compliance with applicable Federal and State statutes, laws and administrative regulations.

- B. San Gabriel shall not:
 - 1. Offer non-tariffed products or services, unless the company's executive management having oversight responsibility first approves doing so and puts into place procedures complying with the Commission's ATRs;

 - 2. Solicit business on behalf of its affiliates nor acquire information on behalf of or to provide to its affiliates;

3. Share proprietary, non-public or confidential information with affiliates except its parent;
4. Share customer information unless first obtaining the written consent, or a Standard Customer Information Release Form signed by the customer, or if so directed by a Commission decision or resolution;
5. Give the appearance that San Gabriel speaks on behalf of its affiliates;
6. Represent that its affiliates or customers of its affiliates will receive different treatment by San Gabriel than the treatment San Gabriel provides to other unaffiliated companies or their customers.

IV. Separation

- A. San Gabriel shall continue to implement the Financial Separation Plan submitted with Advice Letter 395, as supplemented pursuant to Resolution W-4984 and Advice Letter 395-A to comply with ATR VII.E regarding measures to prevent San Gabriel from being pulled into a potential bankruptcy of its parent company.
- B. San Gabriel shall continue to provide a list of shared directors and officers between it and affiliated companies in its Annual Report.
- C. No later than 30 days following a change to the list of shared directors and officers, San Gabriel shall notify the Director of the Commission's Water Division and the Director of the Public Advocates Office of such change(s).

- D. In the event of employee transfers between San Gabriel and an affiliated company, such transfer shall be tracked and reported to the Commission.

V. Pricing of Goods or Services between San Gabriel

San Gabriel does not offer goods or services to its affiliates – other than shared corporate support as authorized in Rule II – in the regular course of its business. Should an occasional circumstance arise where goods or services other than shared corporate support services are transferred to an affiliate, San Gabriel or the affiliate shall obtain an independent appraisal showing the fair market value of the goods or services. Transfers from San Gabriel to an affiliate shall be at no less than fair market value and transfers from an affiliate to San Gabriel shall be at no more than fair market value.

VI. Financial Health

- A. Utility Investment Company shall ensure that San Gabriel has adequate capital to fulfill its obligations as a public utility.
- B. San Gabriel shall not guarantee or allow its assets to be used as security for any debt of Utility Investment Company or another affiliated company.

VII. Regulatory Oversight

- A. San Gabriel shall continue to make available for examination by the Commission, its staff or agents the relevant books and records relating to costs associated with transactions between San Gabriel and an affiliate where costs are being sought to be recovered in rates through a rate case proceeding.
- B. Not later than sixty (60) days after the creation of a new affiliate by San Gabriel or Utility Investment Company, San Gabriel shall notify the Commission – by a

Tier 3 advice letter – Director of the Water Division and the Director of the Public Advocates Office.

VIII. Compliance Plans

- A. San Gabriel submitted its 2011 Affiliates Rules Compliance Plan required by ATR VIII.C with its Annual Report to the Commission on March 31, 2012 and will include a Compliance Plan as part of its Annual Report biannually thereafter.
- B. Signed verification of the adequacy of San Gabriel's Affiliated Company Transaction Procedures to assure that San Gabriel is not utilizing its parent company or an affiliate not covered by the ATRs as a conduit to circumvent any of these ATRs are attached as **Attachment C and D**.

ATTACHMENT A
San Gabriel Valley Water Company Affiliates

Company Name	Company's Line of Business (products or services offered)	ATR Rule IB Affiliate
Utility Investment Company	Utility Investment Company has no operations and no employees. It exists for the purpose of holding the common stock of San Gabriel Valley Water Company and Arizona Water Company and for financial separation ("Ring Fencing") purposes.	No
United Resources, Inc.	United Resources, Inc. has no operations and no employees. It exists for the purpose of holding the common stock of Utility Investment Company and Rosemead Properties, Inc. and for financial separation ("Ring Fencing") purposes.	No
Arizona Water Company	Arizona Water Company is a public water utility operating in Arizona and is subject to the regulatory jurisdiction of the Arizona Corporation Commission. Arizona Water Company is operated and managed by its own management and employees with its headquarters office located in Phoenix, Arizona and has no operations in common with San Gabriel.	Yes As To Rules IV.B and X Only
Rosemead Properties, Inc.	Rosemead Properties, Inc. has no employees. Its primary business involves ownership of office buildings and parcels of vacant land. The office buildings are operated and managed by contract office management companies paid for entirely by Rosemead Properties, Inc. To the extent any employee of San Gabriel Valley Water Company provides services to Rosemead Properties, Inc. (or other affiliates), that time, including fringe benefits and overhead is charged through regular monthly billing and San Gabriel Valley Water Company is reimbursed therefor pursuant to a Services Agreement.	No

UNITED RESOURCES, INC.

President, Director..... M. L. Whitehead
 Vice President, Assistant Secretary, Director.....R. W. Nicholson
 Secretary..... T. J. Ryan
 Treasurer J. D. Harris
 Director..... K. M. Moseley
 Director..... D. S. Nicholson
 Director.....S. R. Thomas

UTILITY INVESTMENT COMPANY

President, Director.....M. L. Whitehead
 Vice President, Director..... R. W. Nicholson
 Secretary..... T. J. Ryan
 Treasurer J. D. Harris
 Director..... K. M. Moseley
 Director.....D. S. Nicholson
 Director..... S. R. Thomas

ROSEMEAD PROPERTIES, INC.

President, DirectorM. L. Whitehead
 Vice President, DirectorR. W. Nicholson
 Vice President R. J. DiPrimio
 Secretary T. J. Ryan
 Treasurer.....J. D. Harris
 Director K. M. Moseley
 Director D. S. Nicholson
 Director S. R. Thomas

ARIZONA WATER COMPANY

Chairman of the Board and Chief Executive Officer, Director.....R. W. Nicholson
 President, Director.....W. M. Garfield
 Vice President and Treasurer.....J. D. Bradshaw
 Vice President – Engineering.....F. K. Schneider
 Vice President – Operations.....A. J. Mauzy
 General Counsel, Secretary.....E. R. Spear
 Assistant Secretary, Director.....M. L. Whitehead
 Assistant Secretary and Assistant Treasurer.....J. R. Craig
 Director.....K. M. Moseley
 Director.....D. S. Nicholson
 Director.....S. R. Thomas
 Director.....R. J. DiPrimio

SAN GABRIEL VALLEY WATER COMPANY

Chairman of the Board and Chief Executive Officer, DirectorM. L. Whitehead
 President, DirectorR. W. Nicholson
 Senior Vice President R. J. DiPrimio
 Vice President and TreasurerJ. D. Harris
 Vice President and General Counsel, Secretary..... T. J. Ryan
 Vice President of Regulatory Affairs J. M. Reiker
 Vice President – Engineering.....M. Y. Yucelen
 Director K. M. Moseley
 Director D. S. Nicholson
 Director S. R. Thomas

ATTACHMENT B
SERVICES AGREEMENT

This Agreement entered into as of September 1, 1993 as amended and supplemented on June 30, 2011 by and between San Gabriel Valley Water Company ("San Gabriel") and Utility Investment Company ("UIC") is made a part of the Affiliated Company Transactions Procedures dated June 30, 2011:

A. UIC, a holding company, is the parent of San Gabriel and Arizona Water Company. United Resources, Inc., also a holding company, is the parent of UIC and Rosemead Properties, Inc.

B. From time to time the affiliated companies desire to utilize San Gabriel's services.

NOW THEREFORE, the parties hereto agree as follows:

1. San Gabriel agrees to provide the affiliated companies with services under and subject to all of the terms, conditions, and provisions hereof.

2. San Gabriel hereby agrees to provide the services of corporate officers and support personnel to the affiliated companies from time to time as required during the term of this Agreement. Nothing in this Agreement shall require San Gabriel personnel to provide services that would interfere with the performance of their duties and responsibilities for San Gabriel or that would diminish San Gabriel's resources or activities in a manner that would result in degradation of the reliability, efficiency, adequacy, or cost of utility service or have an adverse impact on customer service. San Gabriel will continue its ongoing compliance with General Order 103-A.

3. San Gabriel will charge UIC for all services provided to the affiliated companies on a fully-allocated cost basis that includes charges for the time each

employee devotes to affiliate matters, corresponding fringe benefits, related overheads, and general office supplies. San Gabriel will provide UIC with a monthly summary of time spent and charges for providing such services to the affiliated companies.

4. San Gabriel's employees that devote time to affiliate matters shall track such time by recording entries, to the nearest one-tenth of an hour, on the time sheet attached. The completed time sheet shall be provided to the Accounting Department on the first business day of the subsequent month.

5. San Gabriel will issue an invoice to UIC for all charges incurred pursuant to this Agreement. UIC shall pay such invoice on or before the tenth (10) day following receipt thereof.

6. San Gabriel employees providing services to the affiliated companies shall be considered to be employees of San Gabriel. To the extent any such employee is compensated by an affiliated company as an officer or director, any services provided by that employee in such capacity shall not also be billed to UIC under this Agreement.

7. San Gabriel shall maintain its accounting records in accordance with the Commission's Uniform System of Accounts, Commission decisions and resolutions, and the California Public Utilities Code. Such records shall be maintained and located in California.

8. San Gabriel agrees that all books and records relating in any manner whatsoever to the business of the affiliated companies and all other files, books and records, and other materials owned by the affiliated companies or used by them in connection with the conduct of their businesses, whether prepared by San Gabriel personnel or otherwise coming into San Gabriel's possession, shall be the exclusive property of the affiliated companies regardless of who actually prepared the original material. No such books and records or other materials shall be disclosed without the prior written consent of the affiliated companies.

9. San Gabriel employees shall not disclose proprietary or confidential information pertaining to San Gabriel that would create the opportunity for preferential treatment or unfair competitive advantage, lead to customer confusion, or create significant opportunities for cross subsidy of affiliates.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement as amended and supplemented to be executed as of the 30th day of June, 2011.

UTILITY INVESTMENT COMPANY

SAN GABRIEL VALLEY WATER
COMPANY

By



M. L. Whitehead, President

By



R. W. Nicholson, President

Time Spent on Affiliates' Business

(Record to Nearest .1 Hour)

NAME _____ MONTH _____ YEAR _____

DATE	URI	RPI	UIC	AWC	TOTAL
1					
2					
3					
4					
5					
6					
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8					
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26					
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28					
29					
30					
31					
TOTAL					

VERIFICATION

I, the undersigned, am an officer of Utility Investment Company and am authorized to make this verification on its behalf. I have read the attached San Gabriel Valley Water Company's Affiliated Company Transaction Procedures and know the contents thereof and believe based on my own knowledge that San Gabriel Affiliated Company Transaction Procedures provide mechanisms and procedures that will ensure that San Gabriel is not utilizing Utility Investment Company or an affiliate not covered by these Rules as a conduit to circumvent such Rules.

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

Executed at El Monte, California, on March 20, 2019.

A handwritten signature in black ink, appearing to read "M.L. Whitehead". The signature is written in a cursive style with a horizontal line underneath it.

M.L. Whitehead
President

VERIFICATION

I, the undersigned, am an officer of San Gabriel Valley Water Company ("San Gabriel") and am authorized to make this verification on its behalf. I have read the attached Affiliated Company Transaction Procedures and know the contents thereof and believe based on my own knowledge that San Gabriel's Affiliated Company Transaction Procedures provide mechanisms and procedures that will ensure that San Gabriel is not utilizing Utility Investment Company or an affiliate not covered by these Rules as a conduit to circumvent such Rules.

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

Executed at El Monte, California, on March 20, 2019.



Robert W. Nicholson
President