

Received _____

Examined _____

**CLASS A
WATER UTILITIES**

U# _____



**2022
ANNUAL REPORT
OF**

SUBURBAN WATER SYSTEMS

(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

1325 N. GRAND AVENUE, STE 100

COVINA, CA 91724-4044

(OFFICIAL MAILING ADDRESS)

ZIP

**TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2022**

REPORT MUST BE FILED NO LATER THAN APRIL 30, 2023

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GENERAL INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NO LATER THAN APRIL 30, 2023**, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION**

ATTN: BRUCE DEBERRY

505 VAN NESS AVENUE, ROOM 3200

SAN FRANCISCO, CALIFORNIA 94102-3298

bmd@cpuc.ca.gov

water.division@cpuc.ca.gov

2. Failure to file the report on time may subject a utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Declaration on Page 70 must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in accordance with the CPUC Excel annual report template. The Excel file and a PDF of the file is to be submitted to the Commission.
5. The report must be filled in, and every question answered. **LEAVE NO SCHEDULE BLANK.** Insert the words "none" or "not applicable" or "n/a" when appropriate.
6. Certain balance sheet and income statement accounts refer to supplemental schedules. Complete the supplemental schedules FIRST. The balances in these schedules will then auto-fill the appropriate boxes in the balance sheet/income statement. Total and subtotal boxes are automatically summed in Excel. Auto-filled and summed boxes are Excel locked and identified by a light coloring of the box. Uncolored boxes can be manually filled. Complete the statements by filling in the uncolored boxes where appropriate.
7. Some schedules provide for a "balance at beginning of year." The amount shown should agree with the "balance at end of year" as shown in the report for the previous year. If there is a difference, it should be explained by footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2022 through December 31, 2022. Fiscal year reports will not be accepted.
10. Your company's external auditor information, such as external auditor's name, phone number, and address, must be included in Page 13, Item 12, of this report.

I N S T R U C T I O N S

FOR PREPARATION OF SELECTED FINANCIAL DATA SHEET FOR ALL WATER UTILITIES

To prepare the attached data sheets, refer to the Balance Sheet, Income Statement and supporting detail schedules in the annual report for the required data.

Please follow the instructions below:

1. The CPUC annual report Excel template incorporates links so that the selected data in the Balance Sheet, Income Statement and supporting schedules automatically flow to the financial data sheets.
2. For the financial data sheets that are to be adjusted to exclude non-regulated activity, manually adjust the data to exclude non-regulated activity.

UTILITY PLANT AND CAPITALIZATION DATA

Calendar Year 2022

Name of Utility: SUBURBAN WATER SYSTEMS Telephone: (626) 543-2500

Person Responsible for this Report: ROBERT KELLY

	<u>1/1/2022</u>	<u>12/31/2022</u>	<u>Average</u>
UTILITY PLANT DATA			
1 Total Utility Plant	\$ 397,964,364	\$ 444,002,783	\$ 420,983,574
2 Total Utility Plant Reserves	(133,589,901)	(142,891,724)	(138,240,813)
3 Total Utility Plant Less Reserves	264,374,463	301,111,059	282,742,761
4 Advances for Construction	7,731,072	7,442,865	7,586,969
5 Contributions in Aid of Construction	20,138,364	20,139,528	20,138,946
6 Total Accumulated Deferred Taxes	22,486,029	23,910,908	23,198,469
7			
8			
9			
10 CAPITALIZATION			
11 Common Capital Stock	\$ 745,380	\$ 745,380	\$ 745,380
12 Preferred Capital Stock	3,982,267	3,982,267	3,982,267
13 Paid In Capital	27,416,171	34,318,171	30,867,171
14 Earned Surplus	117,049,136	124,742,410	120,895,773
15 Total Capital Stock	149,192,954	163,788,228	156,490,591
16 Total Proprietary Capital (Individual or Partnership)	-	-	-
17 Total Long-Term Debt	82,000,000	82,000,000	82,000,000

INCOME, EXPENSES, AND OTHER DATA

Calendar Year 2022

Name of Utility: SUBURBAN WATER SYSTEMS

Telephone: (626) 543-2500

	Annual Amount
INCOME/EXPENSES DATA	
1 Operating Revenues	\$ 95,109,849
2 Operating Expenses	\$ 55,657,786
3 Depreciation	\$ 12,834,331
4 Taxes	\$ 7,669,225
5 Income from Nonutility Operations (net)	\$ 724,523
6 Interest on Long-Term Debt	\$ 3,790,196
7 Net Income	\$ 15,371,481
8	

9 OPERATING EXPENSES DATA	
10 Source of Supply Expense	\$ 21,992,350
11 Pumping Expenses	\$ 5,668,527
12 Water Treatment Expenses	\$ 957,747
13 Transmission and Distribution Expenses	\$ 2,996,095
14 Customer Account Expenses	\$ 2,183,657
15 Sales Expenses	\$ 450,183
16 Recycled Water Expenses	\$ -
17 Administrative and General Expenses	\$ 25,513,382
18 Miscellaneous	\$ (4,104,155)
19 Total Operating Expenses	\$ 55,657,786
20	

21 OTHER DATA

			Annual Average
23 <u>Active Service Connections</u> (Exc. Fire Protect.)_____	Jan. 1	Dec. 31	
24	75,290	75,401	75,346
25 Metered Service Connections	1,249	1,255	1,252
26 Flat Rate Service Connections	76,539	76,656	76,598
27 Total Active Service Connections			

INCOME, EXPENSES, AND OTHER DATA
Adjusted to Exclude Non-Regulated Activity
 Calendar Year 2022

Name of Utility: SUBURBAN WATER SYSTEMS

Telephone: (626) 543-2500

			Annual Amount
INCOME/EXPENSES DATA			
1	Operating Revenues	\$	95,109,849
2	Operating Expenses	\$	55,657,786
3	Depreciation	\$	12,834,331
4	Taxes	\$	7,290,184
5	Income from Nonutility Operations (net)	\$	-
6	Interest on Long-Term Debt	\$	3,790,196
7	Net Income	\$	14,646,958
8			
9	OPERATING EXPENSES DATA		
10	Source of Supply Expense	\$	21,992,350
11	Pumping Expenses	\$	5,668,527
12	Water Treatment Expenses	\$	957,747
13	Transmission and Distribution Expenses	\$	2,996,095
14	Customer Account Expenses	\$	2,183,657
15	Sales Expenses	\$	450,183
16	Recycled Water Expenses	\$	-
17	Administrative and General Expenses	\$	25,513,382
18	Miscellaneous	\$	(4,104,155)
19	Total Operating Expenses	\$	55,657,786
20			
21	OTHER DATA		
22			
23	<u>Active Service Connections</u>	(Exc. Fire Protect.) _____	Annual Average
24			
25	Metered Service Connections	Jan. 1 Dec. 31	75,346
26	Flat Rate Service Connections	1,249 1,255	1,252
27	Total Active Service Connections	76,539 76,656	76,598

Notes to Adjusted Selected Financial Data Due to Excluding of Non-Regulated Activities

Instructions: Provide reasons for each adjustment to the Selected Financial Data due to non-regulated activities. Detail this information by name of line item (Gross Plant, Operating Revenues, etc.), account number, dollar amount, and by point in time (end of year, beginning of year, or average).

1	California Corp. Franchise Tax, Account #50710,	\$	119,754	(end of year balance), to exclude state tax on non-tariff activity (i.e., non-regulated)
2	Federal Corporate Income Tax, Account #50720,	\$	259,287	(end of year balance), to exclude federal tax on non-tariff activity (i.e., non-regulated)
3	Other Operating and Nonoper. Income and (Exp.), Account #52600	\$	1,103,564	(end of year balance), to exclude non-tariff activity (i.e., non-regulated)
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Excess Capacity and Non-Tariffed Services

NOTE: In D.00-07-018, D.03-04-028, and D. 04-12-023, the CPUC set forth rules and requirements regarding water utilities provision of non-tariffed services using excess capacity. These decisions require water utilities to: 1) file an advice letter requesting Commission approval of that service, 2) provide information regarding non-tariffed goods/services in each companies Annual Report to the Commission.

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed good and service provided in 2022:

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter											
Row Number	Description of Non-Tariffed Goods/Services	Active or Passive	Total Revenue Derived from Non-tariffed Goods/ Services (by account)	Revenue Account Number	Total Expenses Incurred to Provide Non-tariffed Goods/ Services (by account)	Expense Account Number	Advice Letter and/or Resolution Number Approving Non-tariffed Goods/ Services	Total Income Tax Liability Incurred Because of Non-tariffed Goods/ Services (by account)	Income Tax Liability Account Number	Gross Value of Regulated Assets Used in the Provision of a Non-tariffed Goods/ Services (by account)	Regulated Asset Account Number
1	Residential Houeline Program	Active	\$ 734,930	52600=90% 61410=10%	\$ 57,346	52600	Approved by D.00-01-026	\$ 189,588	2280		
2	Antenna-Lease	Passive	\$ 88,514	52600=70% 61415=30%	N/A		Approved by D.00-01-026	\$ 24,766	2280		
3	Recycle Water	Passive	\$ 20,013	52600=70% 61415=30%	N/A		Approved by D.00-01-026	\$ 5,600	2280		
4	Sativa Operations and Maintenance Agreement	Active	\$ 568,575	52600=90% 61410=10%	N/A		Approved by D.00-01-026	\$ 159,087	2280		
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12											
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16											
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19											
20											

GENERAL INFORMATION

1. Name under which utility is doing business: SUBURBAN WATER SYSTEMS

2. Official mailing address:
1325 N GRAND AVENUE, SUITE 100, COVINA, CALIFORNIA, 91724-4044

3. Name and title of person to whom correspondence should be addressed:
CRAIG GOTT, PRESIDENT Telephone: (626) 543-2500

4. Address where accounting records are maintained:
1325 N GRAND AVENUE, SUITE 100, COVINA, CALIFORNIA, 91724-4044

5. Service Area (Refer to district reports if applicable): IN OR NEAR COVINA, WEST COVINA, LA PUENTE, WALNUT, GLENDORA, HACIENDA HEIGHTS, WHITTIER, LA MIRADA, AND ADJACENT UNINCORPORATED AREAS IN LOS ANGELES COUNTY, AND BUENA PARK, LA HABRA, AND ADJACENT UNINCORPORATED AREAS IN ORANGE COUNTY

6. Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.)
Name: CRAIG GOTT, PRESIDENT Telephone: (626) 543-2500
Address: 1325 N GRAND AVENUE, SUITE 100, COVINA, CALIFORNIA, 91724-4044

7. OWNERSHIP. Check and fill in appropriate line:
 Individual (name of owner) _____
 Partnership (name of partner) _____
 Partnership (name of partner) _____
 Partnership (name of partner) _____
 Corporation (corporate name) SUBURBAN WATER SYSTEMS
Organized under laws of (state) CALIFORNIA Date: APRIL 15, 1907

Principal Officers:
Name: CRAIG GOTT Title: PRESIDENT
Name: ALISON ZIMLICH Title: CFO & TREASURER
Name: TIMOTHY MILLER Title: SECRETARY
Name: JOSEPH PARK Title: ASSISTANT SECRETARY

8. Names of associated companies: See attached

9. Names of corporations, firms or individuals whose property or portion of property have been acquired during the year, together with date of each acquisition:
Name: _____ Date: _____
Name: _____ Date: _____

10. Use the space below for supplementary information or explanations concerning this report:

11. List Name, Grade, and License Number of all Licensed Operators:
See attached

12. List Name, Address, and Phone Number of your company's external auditor:
Name: PricewaterhouseCoopers Telephone: (713) 356-4000
Address: 1201 LOUISIANA ST., SUITE 2900, HOUSTON, TX 77002

13. This annual report was prepared by:
Name of firm or consultant: NONE
Address of firm or consultant: _____
Phone Number of firm or consultant: ()

SUBURBAN AFFILIATES

- 1) 1710 Woodcreek Farms Road, Inc.
- 2) Alabama Utility Systems, Inc.
- 3) Alabama Water Utilities, Inc.
- 4) CUC Holding Company, Inc.
- 5) Florida Utility Systems, Inc.
- 6) French Settlement Water Company, Inc.
- 7) FWU Environmental Services, Inc.
- 8) Kiawah Island Utility, Inc.
- 9) Louisiana Water Utilities, Inc.
- 10) Metro Water Systems, Inc.
- 11) Midway Water Utilities, Inc.
- 12) Monarch Utilities, Inc.
- 13) New Mexico Utilities, Inc.
- 14) Ni America Operating, Inc.
- 15) Ni Florida, Inc.
- 16) Ni South Carolina Utilities, Inc.
- 17) Ni South Carolina, Inc.
- 18) Northwest Utility Systems, Inc.
- 19) Oregon Water Utilities Cline Butte, Inc.
- 20) Oregon Water Utilities Mountain Lakes, Inc.
- 21) Oregon Water Utilities, Inc.
- 22) SCWU Environmental Services, Inc.
- 23) Shelby Ridge Utility Systems LLC
- 24) South Carolina Utility Systems, Inc.
- 25) South Carolina Water Utilities - CUC, Inc.

Cert No.	Grade	First Name	Last Name
15203	T2	Alejandro	Rangel
43080	T2	Arturo	Jauregui
40717	T2	Brian	Inman
24372	T4	Chris	Arrighi
29737	T2	Craig	Gott
18823	T2	Curtis	Hansen
26742	T3	Daniel	Gonzalez
31842	T2	Darrin	Carbajal
36312	T2	David	Islas
33410	T2	Dominic	Luevano
32347	T2	Elias	Montoya
44307	T2	Eric	Gutierrez
34511	T1	Eryk	Aguilar
26595	T2	Fernando	Hernandez
40482	T2	Francisco	Garcia
43319	T2	Frank	Reyes
35792	T2	Javier	Tripodi
22952	T2	Jerry	Hoing
42899	T1	John	Dominguez
27179	T1	Johnny	Pestano
43621	T2	Jose	Macias-Millan
35913	T2	Laura	Sainz
22933	T1	Leonard	Gaskin
33174	T2	Luis	Preciado
43874	T1	Marco	Gomez
41746	T2	Martin	Cevallos
27770	T2	Matthew	Martinez
30295	T2	Michael	Chiraulo
32477	T2	Michael	Rodriguez
41184	T2	Miguel	Jimenez
45092	T2	Moises	Gonzalez
7359	T3	Norris	Fulfer
27538	T2	Omar	Ochoa
38891	T2	Paul	Dimaggio
32303	T3	Phillip	Rodriguez
38871	T2	Ramiro	Garcia
18440	T2	Randy	Keefer
45217	T1	Robert	Galvez
23818	T4	Rosalba	Magana
42253	T2	Sandy	Nimat
34872	T1	Steven	Alvarez
12722	T2	Tom	Medina
34197	T2	Victor	Franco
34029	T1	Victor	Mendoza
42600	T2	Zhaohui	Sun

Cert No.	Grade	First Name	Last Name
53447	D1	Adrian	Gonzalez
4851	D3	Alejandro	Rangel
55476	D1	Ana	Lemus
48234	D3	Arturo	Jauregui
37729	D2	Brian	Inman
50523	D1	Carlos	Farfan
14187	D5	Chris	Arrighi
34337	D3	Craig	Gott
8012	D4	Curtis	Hansen
29009	D3	Daniel	Gonzalez
46263	D1	Daniel	Hernandez
54100	D1	Daniel	Quirarte
34545	D3	Darrin	Carbajal
38544	D4	David	Islas
39543	D3	Dominic	Luevano
35756	D3	Elias	Montoya
53011	D2	Eric	Gutierrez
35802	D1	Eryk	Aguilar
27548	D3	Fernando	Hernandez
47090	D2	Francisco	Garcia
48660	D3	Frank	Reyes
7818	D4	Greg	Galindo
54760	D2	Henry	Alfaro
27696	D1	Irene	Standi
48327	D1	Jacqueline	Olivares
42558	D3	Javier	Tripodi
7762	D3	Jerry	Hoing
50492	D1	John	Dominguez
29195	D2	Johnny	Pestano
54166	D1	Jorge	Ramos
50940	D3	Jose	Macias-Millan
55014	D1	Juan	Silva
43083	D2	Laura	Sainz
38766	D1	Leonard	Gaskin
52390	D1	Lisa	Lozano
37614	D3	Luis	Preciado
52463	D2	Marco	Gomez
49781	D3	Martin	Cevallos
29191	D3	Matthew	Martinez
30741	D3	Michael	Chiraulo
36162	D2	Michael	Rodriguez
48319	D2	Miguel	Jimenez
44126	D2	Moises	Gonzalez
1700	D4	Norris	Fulfer
30290	D3	Omar	Ochoa
47021	D5	Paul	Dimaggio
35764	D5	Phillip	Rodriguez
55042	D1	Rafael	Garcia
40962	D3	Ramiro	Garcia
6734	D4	Randy	Keefer
51928	D2	Raymond	Martinez
37031	D2	Robert	Galvez
9395	D2	Rolshun	Monette
14586	D4	Rosalba	Magana
50923	D2	Sandy	Nimat
41182	D3	Steven	Alvarez
4078	D5	Tom	Medina
37246	D3	Victor	Franco
33507	D4	Victor	Mendoza
55885	D1	William	Le
45194	D2	Zhaohui	Sun

**SCHEDULE A
COMPARATIVE BALANCE SHEETS
Assets and Other Debits**

Line No.	Acct.	Title of Account (a)	Schedule No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		I. UTILITY PLANT			
2	100	Utility Plant	A-1, A-1a	443,964,961	397,926,542
3	101	Recycled Water Utility Plant	A-1b	37,822	37,822
4	107	Utility Plant Adjustments	A-2	-	-
5		Total Utility Plant		444,002,783	\$ 397,964,364
6	250	Reserve for depreciation of utility plant	A-5	(142,195,291)	(132,905,113)
7	251	Reserve for amortization of limited term utility investments	A-5	(730,034)	(719,192)
8	252	Reserve for amortization of utility plant acquisition adjustments	A-5	37,372	35,970
9	259	Reserve for depreciation and amortization of recycled water utility plant	A-5	(3,771)	(1,566)
10		Total utility plant reserves		(142,891,724)	\$ (133,589,901)
11		Total utility plant less reserves		301,111,059	\$ 264,374,463
12					
13		II. INVESTMENT AND FUND ACCOUNTS			
14	110	Other Physical Property	A-3	138,786	127,726
15	253	Reserve for depreciation and amortization of other property	A-5	(55,849)	(44,789)
16		Other physical property less reserve		82,937	\$ 82,937
17	111	Investments in Affiliated Companies	A-6	-	-
18	112	Other Investments	A-7	-	-
19	113	Sinking Funds	A-8	-	-
20	114	Miscellaneous Special Funds	A-9	-	-
21		Total investments and fund accounts		82,937	\$ 82,937
22					
23		III. CURRENT AND ACCRUED ASSETS			
24	120	Cash	A-10	98,010	140,486
25	121	Special Deposits	A-11	-	-
26	122	Working Funds	A-12	-	-
27	123	Temporary Cash Investments	A-13	-	-
28	124	Notes Receivable	A-14	-	-
29	125	Accounts Receivable	A-15	11,645,725	10,746,110
30	126	Receivables from Affiliated Companies	A-16	-	-
31	131	Materials and Supplies	A-17	753,280	538,723
32	132	Prepayments	A-18	1,407,395	3,334,464
33	133	Other Current and Accrued Assets	A-19	-	-
34		Total Current and Accrued Assets		13,904,410	\$ 14,759,783
35					
36		IV. DEFERRED DEBITS			
37	140	Unamortized Debt Discount and Expense	A-20	518,485	609,096
38	141	Extraordinary Property Losses	A-22	-	-
39	142	Preliminary Survey and Investigation Charges	A-23	-	-
40	143	Clearing Accounts	A-24	-	-
41	145	Other Work in Progress	A-25	3,511	80,755
42	146	Other Deferred Debits	A-26	22,644,538	22,707,044
43	147	Accumulated Deferred Income Tax Assets	A-27	6,018,625	7,895,701
44		Total Deferred Debits		29,185,159	\$ 31,292,596
45		Total Assets and Other Debits		344,283,565	\$ 310,509,779

SCHEDULE A
COMPARATIVE BALANCE SHEETS
Liabilities and Other Credits

Line No.	Acct.	Title of Account (a)	Schedule No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
46		I. CORPORATE CAPITAL AND SURPLUS			
47	200	Common Capital Stock	A-30	745,380	745,380
48	201	Preferred Capital Stock	A-30a	3,982,267	3,982,267
49	202	Stock Liability for Conversion	A-31	-	-
50	203	Premiums and Assessments on Capital Stock	A-32	126,550	126,550
51	206	Subchapter S Corporation Accumulated Adjustments Account	A-33	-	-
52	150	Discount on Capital Stock	A-28	-	-
53	151	Capital Stock Expense	A-29	-	-
54	270	Capital Surplus	A-34	34,191,621	27,289,621
55	271	Earned Surplus	A-35	124,742,410	117,049,136
56		Total Capital Stock		163,788,228	\$ 149,192,954
57					
58		II. PROPRIETARY CAPITAL			
59	204	Proprietary Capital	A-36	-	-
60	205	Undistributed Profits of Proprietorship or Partnership	A-37	-	-
61		Total Proprietary Capital		-	\$ -
62					
63		III. LONG-TERM DEBT			
64	210	Bonds	A-38	82,000,000	82,000,000
65	211	Receivers' Certificates	A-39	-	-
66	212	Advances from Affiliated Companies	A-40	-	-
67	213	Miscellaneous Long-Term Debt	A-41	-	-
68		Total Long-Term Debt		82,000,000	\$ 82,000,000
69					
70		IV. CURRENT AND ACCRUED LIABILITIES			
71	220	Notes Payable	A-43	-	-
72	221	Notes Receivable Discounted	A-44	-	-
73	222	Accounts Payable	A-45	2,429,086	2,046,656
74	223	Payables to Affiliated Companies	A-46	27,310,470	2,361,323
75	224	Dividends Declared	A-47	-	-
76	225	Matured Long-Term Debt	A-48	-	8,000,000
77	226	Matured Interest	A-49	20,200	262,600
78	227	Customers' Deposits	A-50	224,432	257,606
79	228	Taxes Accrued	A-53	(30,195)	(26,982)
80	229	Interest Accrued	A-51	551,228	551,232
81	230	Other Current and Accrued Liabilities	A-52	11,325,292	11,893,996
82		Total Current and Accrued Liabilities		41,830,513	\$ 25,346,431
83					
84		V. DEFERRED CREDITS			
85	240	Unamortized Premium on Debt	A-21	-	-
86	241	Advances for Construction	A-54	7,442,865	7,731,072
87	242	Other Deferred Credits	A-55	2,944,933	955,548
88		Total Deferred Credits		10,387,798	\$ 8,686,620
		VI. ACCUMULATED DEFERRED TAXES			
	266	Accumulated Deferred Income Taxes - Accelerated Tax Depreciation	A-58	-	-
	267	Accumulated Deferred Income Taxes - Other	A-59	23,859,547	22,423,951
	268	Accumulated Deferred Investment Tax Credits	A-60	51,361	62,078
		Total Accumulated Deferred Taxes		23,910,908	\$ 22,486,029
89					
90		VII. RESERVES			
91	254	Reserve for Uncollectible Accounts	A-56	2,226,590	2,659,381
92	255	Insurance Reserve	A-56	-	-
93	256	Injuries and Damages Reserve	A-56	-	-
94	257	Employees' Provident Reserve	A-56	-	-
95	258	Other Reserves	A-56	-	-
96		Total Reserves		2,226,590	\$ 2,659,381
97					
98		VIII. CONTRIBUTIONS IN AID OF CONSTRUCTION			
99	265	Contributions in Aid of Construction	A-57	20,139,528	20,138,364
100		Total Liabilities and Other Credits		344,283,565	\$ 310,509,779

SCHEDULE B
Income Statement for the Year

Line No.	Acct.	Account (a)	Schedule Page No. (b)	Amount (c)
1		I. UTILITY OPERATING INCOME		
2	501	Operating Revenues	B-1	95,109,849
3				
4		Operating Revenue Deductions:		
5	502	Operating Expenses	B-2	55,657,786
6	503	Depreciation	A-5	12,834,331
7	504	Amortization of Limited-term Utility Investments	A-5	10,842
8	505	Amortization of Utility Plant Acquisition Adjustments	A-5	(1,402)
9	506	Property Losses Chargeable to Operations	B-3	-
10	507	Taxes	B-4	7,669,225
11		Total Operating Revenue Deductions		76,170,782
12		Net Operating Revenues		18,939,067
13	508	Income from Utility Plant Leased to Others	B-6	-
14	510	Rent for Lease of Utility Plant	B-7	-
15		Total Utility Operating Income		18,939,067
16				
17		II. OTHER INCOME		
18	521	Income from Nonutility Operations (Net)	B-8	-
19	522	Revenue from Lease of Other Physical Property	B-9	-
20	523	Dividend Revenues	B-10	-
21	524	Interest Revenues	B-11	31,401
22	525	Revenues from Sinking and Other Funds	B-12	-
23	526	Miscellaneous Nonoperating Revenues	B-13	1,103,564
24	527	Nonoperating Revenue Deductions	B-14	(5,352)
25		Total Other Income		1,129,613
26		Net Income before Income Deductions		20,068,680
27				
28		III. INCOME DEDUCTIONS		
29	530	Interest on Long-term Debt	B-15	3,790,196
30	531	Amortization of Debt Discount and Expense	B-16	90,611
31	532	Amortization of Premium on Debt - Cr.	B-17	-
32	533	Taxes Assumed on Interest	B-18	-
33	534	Interest on Debt to Affiliated Companies	B-19	586,305
34	535	Other Interest Charges	B-20	-
35	536	Interest Charged to Construction - Cr.	B-21	-
36	537	Miscellaneous Amortization	B-22	-
37	538	Miscellaneous Income Deductions	B-23	230,087
38		Total Income Deductions		4,697,199
39		Net Income		15,371,481
40				
41		IV. DISPOSITION OF NET INCOME		
42	540	Miscellaneous Reservations of Net Income	B-24	-
43				
44		Balance transferred to Earned Surplus or		\$ 15,371,481
45		Proprietary Accounts scheduled on pages 32-33		

SCHEDULE A-1
Account 100 - Utility Plant

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	(Retirements) During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1	100.1	Utility Plant in Service (Schedule A-1a)	372,335,778	45,200,269	(1,130,354)		\$ 416,405,693
2	100.2	Utility Plant Leased to Others	-				\$ -
3	100.3	Construction Work in Progress	23,615,004	38,769,936		(34,761,632)	\$ 27,623,308
4	100.4	Utility Plant Held for Future Use	2,039,800			(2,039,800)	\$ -
5	100.5	Utility Plant Acquisition Adjustments	(64,040)				\$ (64,040)
6	100.6	Utility Plant in Process of Reclassification					\$ -
7		Total utility plant	\$ 397,926,542	\$ 83,970,205	\$ (1,130,354)	\$ (36,801,432)	\$ 443,964,961

SCHEDULE A-1a
Account 100.1 - Utility Plant in Service

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	(Retirements) During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1		I. INTANGIBLE PLANT					
2	301	Organization	24,996				\$ 24,996
3	302	Franchises and Consents	8,040				\$ 8,040
4	303	Other Intangible Plant	4,961,326	6,399,273			\$ 11,360,599
5		Total Intangible Plant	\$ 4,994,362	\$ 6,399,273	\$ -	\$ -	\$ 11,393,635
6							
7		II. LANDED CAPITAL					
8	306	Land and Land Rights	\$ 1,140,553	\$ 524,434			\$ 1,664,987
9							
10		III. SOURCE OF SUPPLY PLANT					
11	311	Structures and Improvements					\$ -
12	312	Collecting and Impounding Reservoirs					\$ -
13	313	Lake, River and Other Intakes					\$ -
14	314	Springs and Tunnels					\$ -
15	315	Wells	10,965,899	1,025,136			\$ 11,991,035
16	316	Supply Mains	7,133,950				\$ 7,133,950
17	317	Other Source of Supply Plant	253,491		-		\$ 253,491
18		Total Source of Supply Plant	\$ 18,353,340	\$ 1,025,136	\$ -	\$ -	\$ 19,378,476
19							
20		IV. PUMPING PLANT					
21	321	Structures and Improvements	11,777,273	92,575	(10,914)		\$ 11,858,934
22	322	Boiler Plant Equipment					\$ -
23	323	Other Power Production Equipment					\$ -
24	324	Pumping Equipment	24,010,343	328,604	(28,446)		\$ 24,310,501
25	325	Other Pumping Plant	254,376				\$ 254,376
26		Total Pumping Plant	\$ 36,041,992	\$ 421,179	\$ (39,360)	\$ -	\$ 36,423,811
27							
28		V. WATER TREATMENT PLANT					
29	331	Structures and Improvements	2,181,617	12,441			\$ 2,194,058
30	332	Water Treatment Equipment	5,313,984	217,640	(46,738)		\$ 5,484,886
31		Total Water Treatment Plant	\$ 7,495,601	\$ 230,081	\$ (46,738)	\$ -	\$ 7,678,944

SCHEDULE A-1a
Account 100.1 - Utility Plant in Service (Continued)

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	(Retirements) During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
32		VI. TRANSMISSION AND DIST. PLANT					
33	341	Structures and Improvements	470,468				\$ 470,468
34	342	Reservoirs and Tanks	45,651,253	249,727			\$ 45,900,980
35	343	Transmission and Distribution Mains	138,245,667	20,578,030	(204,835)		\$ 158,618,862
36	344	Fire Mains					\$ -
37	345	Services	49,312,795	7,599,172	(207,552)		\$ 56,704,415
38	346	Meters	14,363,309	3,077,991	(389,164)		\$ 17,052,136
39	347	Meter Installations	1,716,050	361,444			\$ 2,077,494
40	348	Hydrants	15,041,543	2,670,032	(59,667)		\$ 17,651,908
41	349	Other Transmission and Distribution Plant	-				\$ -
42		Total Transmission and Distribution Plant	\$ 264,801,085	\$ 34,536,396	\$ (861,218)	\$ -	\$ 298,476,263
43							
44		VII. GENERAL PLANT					
45	371	Structures and Improvements	23,267,128	1,277,602	(17,195)		\$ 24,527,535
46	372	Office Furniture and Equipment	2,187,198	122,610	(44,608)		\$ 2,265,200
47	373	Transportation Equipment	4,183,424	60,881	(106,214)		\$ 4,138,091
48	374	Stores Equipment					\$ -
49	375	Laboratory Equipment					\$ -
50	376	Communication Equipment	5,786,819	100,319	(1,646)		\$ 5,885,492
51	377	Power Operated Equipment	75,008				\$ 75,008
52	378	Tools, Shop and Garage Equipment	1,340,484	178,182	(13,375)		\$ 1,505,291
53	379	Other General Plant	-				\$ -
54	381	GIS Mapping Facilities	2,668,784	324,176			\$ 2,992,960
55		Total General Plant	\$ 39,508,845	\$ 2,063,770	\$ (183,038)	\$ -	\$ 41,389,577
56							
57		VIII. UNDISTRIBUTED ITEMS					
58	390	Other Tangible Property					\$ -
59	391	Utility Plant Purchased					\$ -
60	392	Utility Plant Sold					\$ -
61		Total Undistributed Items	\$ -	\$ -	\$ -	\$ -	\$ -
62		Total Utility Plant in Service	\$ 372,335,778	\$ 45,200,269	\$ (1,130,354)	\$ -	\$ 416,405,693

SCHEDULE A-1b
Account 101 - Recycled Water Utility Plant

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	(Retirements) During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1	3461	Recycle Meter	37,822				\$ 37,822
2							\$ -
3							\$ -
4			\$ 37,822	\$ -	\$ -	\$ -	\$ 37,822

SCHEDULE A-1c
Account 302 - Franchises and Consents

Line No.	Name of Original Grantor (a)	Date of Grant (b)	Term in Years (c)	Date of Acquisition by Utility (d)	Balance End of Year ¹ (e)
1	City of Whittier	10/12/10	25	9/20/1930	5,621
2	City of Industry	8/13/59	50	6/25/1959	251
3	City of La Puente	9/27/60	50	9/27/1960	478
4	County of Los Angeles	10/29/20	15	11/28/1980	1,690
5				Total	\$ 8,040

¹ The total should agree with the balance at the end of the year in Account 302 in Schedule A-1a Line 3.

SCHEDULE A-1d
Account 100.4 - Utility Plant Held for Future Use

Line No.	Description and Location of Property (a)	Date of Acquisition (b)	Approximate Date When Property Will be Placed in Service (c)	Balance End of Year (d)
1	NONE			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
Total				\$ -

SCHEDULE A-2
Account 107 - Utility Plant Adjustments

Line No.	Description of Utility Plant Adjustments (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	NONE		
2			
3			
4			
5	Total	\$ -	\$ -

SCHEDULE A-3
Account 110 - Other Physical Property

Line No.	Name and Description of Property (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	Land, Structures, Fences, Landscape, etc.	101,125	112,185
2	Other	26,601	26,601
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15	Total	\$ 127,726	\$ 138,786

**SCHEDULE A-4
RATE BASE AND WORKING CASH**

Line No.	Acct.	Title of Account (a)	Balance 12/31/2022 (c)	Balance 1/1/2022 (d)
		RATE BASE		
1		<u>TOTAL COMPANY</u>		
2		Utility Plant	416,379,475	372,309,560
3		Construction Work in Progress	27,623,308	23,615,004
4		Materials and Supplies	753,280	538,723
5		Working Cash	(8,396,403)	(8,168,303)
6		Total Gross Plant (=Line 2 + Line 3 + Line 4 + Line 5)	436,359,660	388,294,984
7				
8		<u>LESS DEDUCTIONS FROM RATE BASE</u>		
9		Reserve for Depreciation	142,199,061	132,906,679
10		Unamortized Investment Tax Credits	51,361	62,078
11		Contributions in Aid of Construction	15,346,833	13,612,222
12		Contributions in Aid of Construction - Cal Trans	4,792,695	6,526,142
13		Advances for Construction	7,442,865	7,731,072
14		Accumulated Deferred Federal Income Taxes, Depreciation Timing Differences	11,432,282	11,905,262
15		Accumulated Deferred Taxes Associated with Taxable Advances for Construction	(26,304)	(31,306)
16		Accumulated Deferred Taxes Associated with Taxable CIAC	(2,879,034)	(2,757,039)
17		Pension Reserve	-	-
18		Accumulated Deferred Taxes, Taxable C.I.A.C Gross-Up	1,501,231	1,508,875
19		Unamortized Deferred Revenues, Taxable C.I.A.C.	19,001	22,240
20		Accumulated Deferred Income Taxes - Pension Reserve	-	-
21		Accumulated Deferred Taxes Associated with Interest During Construction (IDC)	(2,486,785)	(2,225,603)
22		Accumulated Deferred Taxes Associated with Amortization of Interest During Construction	632,000	536,489
23		TCJA - Cumulative Unprotected IDC and Other (per AL 337-W)	72,660	58,128
24		TCJA - Protected Excess Deferred Items (per AL 337-W)	(1,081,352)	(852,125)
25		SUBTOTAL DEDUCTIONS	177,016,514	169,003,114
26				
27		SUBTOTAL SWS RATE BASE	259,343,146	219,291,870
28				
29		Allocated Parent Co. Rate Base to SWS*	3,052,075	1,724,693
30				
31		TOTAL RATE BASE	262,395,221	221,016,563

*Prior year submitted reports was revised to reflect changes from 2020 CPUC audit

Working Cash				
28		Determination of Operational Cash Requirement		
29		Operating Expenses, Excluding Taxes, Depreciation & Uncollectible	55,517,911	60,194,001
30		Purchased Power & Commodity for Resale*	3,989,992	3,797,401
31		Meter Revenues: Monthly Billing	91,569,637	91,451,123
32		Other Revenues: Flat Rate Monthly Billing	3,540,212	3,137,967
33		Total Revenues (=Line 31 + Line 32)	95,109,849	94,589,090
34		Ratio - Flat Rate to Total Revenues (=Line 32 / Line 33)	3%	3%
35		5/24 x Line 29 x (100% - Line 34)	11,219,245	12,164,204
36		1/24 x Line 29 x Line 34	69,397	75,243
37		1/12 x Line 30	332,499	316,450
38		Operational Cash Requirement (=Line 35 + Line 36 - Line 37)	10,956,143	11,922,997
		* Electric power, gas or other fuel purchased for pumping and/or purchased commodity for resale billed after receipt (metered).		
		Working cash per D. 14-12-038 workpapers	(8,396,403)	(8,168,303)

SCHEDULE A-5
Accounts 250, 251, 252, 253, 259 - Depreciation and Amortization Reserves

Line No.	Item (a)	Account 250 Utility Plant (b)	Account 251 Limited-Term Utility Investments (c)	Account 252 Utility Plant Acquisition Adjustments (d)	Account 253 Other Property (e)	Account 259 Recycled Water Utility Plant (f)
1	Balance in reserves at beginning of year	\$ 132,905,113	\$ 719,192	\$ (35,970)	\$ 44,789	\$ 1,566
2	Add: Credits to reserves during year					
3	(a) Charged to Account 503 ⁽¹⁾	13,857,129			11,581	2,205
	(b) Charged to Account 504 ⁽¹⁾		10,842			
	(c) Charged to Account 505 ⁽¹⁾			(1,402)		
4	(d) Charged to Account 265					
5	(e) Charged to clearing accounts					
6	(f) Salvage recovered	97,508				
7	(g) All other credits ⁽²⁾					
8	Total credits	\$ 13,954,637	\$ 10,842	\$ (1,402)	\$ 11,581	\$ 2,205
9	Deduct: Debits to reserves during year					
10	(a) Book cost of property retired	(1,130,354)			(521)	
11	(b) Cost of removal	(3,534,105)				
12	(c) All other debits ⁽³⁾					
13	Total debits	\$ (4,664,459)	\$ -	\$ -	\$ (521)	\$ -
14	Balance in reserve at end of year	\$ 142,195,291	\$ 730,034	\$ (37,372)	\$ 55,849	\$ 3,771
15						
16	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE:					3.550%
17						
18	(2) EXPLANATION OF ALL OTHER CREDITS:					
19	None					
20						
21						
22						
23						
24						
25						
26						
27	(3) EXPLANATION OF ALL OTHER DEBITS:					
28	None					
29						
30						
31						
32						
33						
34						
35	METHOD USED TO COMPUTE INCOME TAX DEPRECIATION:					
36	(a) Straight Line	()				
37	(b) Liberalized	()				
38	(1) Double declining balance	()				
39	(2) ACRS	()				
40	(3) MACRS	()				DDB with change over to Straight-line (pre 1982 assets)
41	(4) Others	()				ACRS (1982 - 1986 assets)
42	(c) Both straight line and liberalized	(X)				Macrs (1987 - Present)

SCHEDULE A-5a

Account 250 - Analysis of Entries in Depreciation Reserve

(This schedule is to be completed if records are maintained showing depreciation reserve by plant accounts)

Line No.	Acct.	DEPRECIABLE PLANT (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserves (Dr.) During Year Excl. Cost Removal (d)	Salvage and Cost of Removal Net (Dr.) or Cr. (e)	Balance End of Year (f)
1		I. SOURCE OF SUPPLY PLANT					
2	311	Structures and Improvements					\$ -
3	312	Collecting and Impounding Reservoirs					\$ -
4	313	Lake, river and Other Intakes					\$ -
5	314	Springs and Tunnels					\$ -
6	315	Wells	5,183,607	410,947			\$ 5,594,554
7	316	Supply Mains	4,867,621	152,381			\$ 5,020,002
8	317	Other Source of Supply Plant	251,282	5,947			\$ 257,229
9		Total Source of Supply Plant	\$ 10,302,510	\$ 569,275	\$ -	\$ -	\$ 10,871,785
10							
11		II. PUMPING PLANT					
12	321	Structures and Improvements	4,113,892	372,950	(10,914)		\$ 4,475,928
13	322	Boiler Plant Equipment	-				\$ -
14	323	Other Power Production Equipment	-				\$ -
15	324	Pumping Equipment	12,640,274	1,072,880	(28,446)		\$ 13,684,708
16	325	Other Pumping Plant	152,089	12,800			\$ 164,889
17		Total Pumping Plant	\$ 16,906,255	\$ 1,458,630	\$ (39,360)	\$ -	\$ 18,325,525
18							
19		III. WATER TREATMENT PLANT					
20	331	Structures and Improvements	611,530	67,523			\$ 679,053
21	332	Water Treatment Equipment	3,533,124	218,462	(46,738)		\$ 3,704,848
22		Total Water Treatment Plant	\$ 4,144,654	\$ 285,985	\$ (46,738)	\$ -	\$ 4,383,901
23							
24		IV. TRANS. AND DIST. PLANT					
25	341	Structures and Improvements	335,316	16,147			\$ 351,463
26	342	Reservoirs and Tanks	9,758,725	1,085,130		(348,752)	\$ 10,495,103
27	343	Transmission and Distribution Mains	46,687,433	3,212,851	(204,836)	(1,402,389)	\$ 48,293,059
28	344	Fire Mains	-				\$ -
29	345	Services	20,844,237	3,044,763	(207,552)	(1,187,716)	\$ 22,493,732
30	346	Meters	3,835,994	1,042,654	(389,164)	(314,773)	\$ 4,174,711
31	347	Meter Installations	512,680	122,303			\$ 634,983
32	348	Hydrants	6,690,125	543,268	(59,667)	(209,789)	\$ 6,963,937
33	349	Other Transmission and Distribution Plant	-				\$ -
34		Total Transmission and Distribution Plant	\$ 88,664,510	\$ 9,067,116	\$ (861,219)	\$ (3,463,419)	\$ 93,406,988
35							
36		V. GENERAL PLANT					
37	371	Structures and Improvements	2,218,429	670,902	(17,195)	(316)	\$ 2,871,820
38	372	Office Furniture and Equipment	1,559,441	106,048	(44,607)		\$ 1,620,882
39	373	Transportation Equipment	1,978,453	511,557	(106,214)	27,138	\$ 2,410,934
40	374	Stores Equipment	-				\$ -
41	375	Laboratory Equipment	-				\$ -
42	376	Communication Equipment	4,050,333	365,865	(1,646)		\$ 4,414,552
43	377	Power Operated Equipment	86,225	15,268			\$ 101,493
44	378	Tools, Shop and Garage Equipment	1,228,066	97,137	(13,375)		\$ 1,311,828
45	379	Other General Plant	-				\$ -
46	390	Other Tangible Property	1,766,237	709,345			\$ 2,475,582
47	391	Water Plant Purchased	-				\$ -
48		Total General Plant	\$ 12,887,184	\$ 2,476,122	\$ (183,037)	\$ 26,822	\$ 15,207,091
49		Total	\$ 132,905,113	\$ 13,857,128	\$ (1,130,354)	\$ (3,436,597)	\$ 142,195,290

SCHEDULE A-6
Account 111 - Investments in Affiliated Companies

Line No.	Class of Security (a)	Name of Issuing Company (b)	Balance Beginning of Year (c)	Balance End of Year (d)	Rate of Interest (e)	Interest Accrued During Year (f)	Interest and Dividends Received During Year (g)
1		NONE					
2							
3							
4							
5							
6							
7			\$ -	\$ -		\$ -	\$ -

SCHEDULE A-7
Account 112 - Other Investments

Line No.	Name and Description of Property (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	NONE		
2			
3			
4			
5			
6			
7			
8			
9	Total	\$ -	\$ -

SCHEDULE A-8
Account 113 - Sinking Funds

Line No.	Name of Fund (a)	Balance Beginning of Year (b)	Additions During Year		Deductions During Year (e)	Balance End of Year (f)
			Principal (c)	Income (d)		
1	NONE					\$ -
2						\$ -
3						\$ -
4						\$ -
5						\$ -
6						\$ -
7						\$ -
8						\$ -
9		\$ -	\$ -	\$ -	\$ -	\$ -

SCHEDULE A-9
Account 114 - Miscellaneous Special Funds

Line No.	Name of Fund (a)	Balance Beginning of Year (b)	Additions During Year		Deductions During Year (e)	Balance End of Year (f)
			Principal (c)	Income (d)		
1	NONE					\$ -
2						\$ -
3						\$ -
4						\$ -
5						\$ -
6						\$ -
7						\$ -
8						\$ -
9	Total	\$ -	\$ -	\$ -	\$ -	\$ -

SCHEDULE A-10
Account 120 - Cash

Line No.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	Cash	140,486	98,010
2			
3			
4			
5	Total	\$ 140,486	\$ 98,010

SCHEDULE A-11
Account 121 - Special Deposits

Line No.	Name of Depository (a)	Purpose of Deposit (b)	Balance Beg of Year (c)	Balance End of Year (d)
1	NONE			
2				
3				
4				
5				
6		Total	\$ -	\$ -

SCHEDULE A-12
Account 122 - Working Funds

Line No.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	NONE		
2			
3			
4			
5	Total	\$ -	\$ -

SCHEDULE A-13
Account 123 - Temporary Cash Investments

Line No.	Description of Items (a)	Balance Beg of Year	Balance End of Year (c)
1	NONE		
2			
3			
4			
5	Total	\$ -	\$ -

SCHEDULE A-14
Account 124 - Notes Receivable

Line No.	Maker (a)	Date of Issue (b)	Date Payable (c)	Balance Beg of Year (d)	Balance End of Year (e)	Interest Rate (f)	Interest Accrued During Year (g)	Interest Received During Year (h)
1				NONE				
2								
3								
4								
5								
6	Total			\$ -	\$ -		\$ -	\$ -

SCHEDULE A-15
Account 125 - Accounts Receivable

Line No.	Acct.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	125-1	Accounts Receivable - Customers	10,218,896	10,926,381
2	125-2	Other Accounts Receivable	527,214	719,344
3				
4				
5	Total		\$ 10,746,110	\$ 11,645,725

SCHEDULE A-16
Account 126 - Receivables from Affiliated Companies

Line No.	Due from Whom (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Interest Rate (d)	Interest Accrued During Year (e)	Interest Received During Year (f)
1						
2	NONE					
3						
4						
5						
6						
7						
8						
9						
10	Total	\$ -	\$ -		\$ -	\$ -

SCHEDULE A-17
Account 131 - Materials and Supplies

Line No.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	131.1 Materials and Supplies - Utility	538,723	753,280
2			
3			
4			
5	Total	\$ 538,723	\$ 753,280

SCHEDULE A-18
Account 132 - Prepayments

Line No.	Item (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	Security Deposit - La Mirada Office	13,302	13,302
2	Rent Advance - Covina Main Office		22,368
3	Main San Gabriel Basin Water Storage	1,252,039	1,252,039
4	City Of Whittier Lease MSGB	1,929,349	
5	Prepaid Contract & Misc.	139,774	119,686
6			
7			
8			
9			
10	Total	\$ 3,334,464	\$ 1,407,395

SCHEDULE A-19
Account 133 - Other Current and Accrued Assets

Line No.	Item (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1			
2			
3	NONE		
4			
5			
6			
7			
8			
9			
10	Total	\$ -	\$ -

SCHEDULE A-20
Account 140 - Unamortized Debt Discount and Expense

Line No.	Designation of long-term debt (a)	Principal amount of securities to which discount and expense, relates (b)	Total discount and expense (c)	AMORTIZATION PERIOD		Balance beginning of year (f)	Debits during year (g)	Credits during year (h)	Balance end of year (i)
				From- (d)	To- (e)				
1									\$ -
2	Series B	8,000,000	384,066	2/20/1992	2/20/2022	1,868		(22,068)	\$ (20,200)
3									\$ -
4	Series D	15,000,000	764,013	10/24/2004	10/24/2024	107,174		(38,201)	\$ 68,973
5									\$ -
6	Series E	10,000,000	222,684	10/20/2006	10/20/2026	53,506		(11,135)	\$ 42,371
7									\$ -
8	Series F	25,000,000	233,094	9/30/2015	9/30/2035	160,464		(11,670)	\$ 148,794
9									\$ -
10	Series G	32,000,000	301,483	12/11/2019	12/15/2059	286,084		(7,537)	\$ 278,547
11									\$ -
12									\$ -
13									\$ -
14									\$ -
15									\$ -
16									\$ -
17									\$ -
18						\$ 609,096	\$ -	\$ (90,611)	\$ 518,485

SCHEDULE A-21
Account 240 - Unamortized Premium on Debt

Line No.	Designation of long-term debt (a)	Principal amount of securities to which premium minus expense, relates (b)	Total Net Premium (c)	AMORTIZATION PERIOD		Balance beginning of year (f)	Debits during year (g)	Credits during year (h)	Balance end of year (i)
				From- (d)	To- (e)				
1									\$ -
2									\$ -
3	NONE								\$ -
4									\$ -
5									\$ -
6									\$ -
7									\$ -
8									\$ -
9									\$ -
10									\$ -
11									\$ -
12									\$ -
13									\$ -
14									\$ -
15									\$ -
16									\$ -
17									\$ -
18						\$ -	\$ -	\$ -	\$ -

SCHEDULE A-22
Account 141 - Extraordinary Property Losses

Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	Previously Written off (c)	Balance Beg of Year (d)	Written Off During Year		Balance End of year (g)
					Account Charged (e)	Amount (f)	
1	NONE						\$ -
2							\$ -
3							\$ -
4	Total	\$ -	\$ -	\$ -		\$ -	\$ -

SCHEDULE A-23
Account 142 - Preliminary Survey and Investigation Charges

Line No.	Description of Charges (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	NONE		
2			
3			
4			
5	Total	\$ -	\$ -

SCHEDULE A-24
Account 143 - Clearing Accounts

Line No.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	NONE		
2			
3			
4			
5	Total	\$ -	\$ -

SCHEDULE A-25
Account 145 - Other Work in Progress

Line No.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	Other Work in Progress - reimbursable cost to repair damage property	80,755	3,511
2			
3			
4			
5	Total	\$ 80,755	\$ 3,511

SCHEDULE A-26			
Account 146 - Other Deferred Debits			
Line No.	Item (a)	Balance Beg of Year (b)	Balance End of year (c)
1	Miscellaneous-Other Deferred Debits	579,559	579,559
2	Investments - Co Bank	479,000	511,001
3	Regulatory Assets (FAS 109, Tax Rate)	9,943,431	10,966,498
4	Rate Case Expenses/Regulatory Related	10,538,614	6,647,386
5	Accrued Vacation	1,166,440	1,006,235
6	Right-of Use Assets, net	-	2,933,859
7	Total	\$ 22,707,044	\$ 22,644,538

SCHEDULE A-27			
Account 147 - Accumulated Deferred Income Tax Assets			
Line No.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	Interest During Construction Capitalized (Federal)	1,126,272	1,236,486
2	Reserves (Federal & State)	69,564	125,163
3	Advances & CIAC 1987 to 2020 (Federal)	2,535,421	2,183,970
4	Advances & CIAC 1992 to 2020 (State)	1,037,809	888,100
5	Gross-up tax rate change (Federal)	1,358,731	1,268,850
6	CIAC Deposits - Federal (project not completed)	1,140,142	146,663
7	CIAC Deposits - State (project not completed)	522,307	67,187
8	Federal Other	105,455	102,206
9	Total	\$ 7,895,701	\$ 6,018,625

SCHEDULE A-28			
Account 150 - Discount on Capital Stock			
<p>1. Report the balance at end of year of discount on capital stock for each class and series of capital stock.</p> <p>2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off during the year and specify the account charged.</p>			
Line No.	Class and Series of Stock (a)	Balance Beg of Year (b)	Balance End of year (c)
1	NONE		
2			
3	Total	\$ -	\$ -

SCHEDULE A-29			
Account 151- Capital Stock Expense			
<p>1. Report the balance at end of year of capital stock expense for each class and series of capital stock.</p> <p>2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off of capital stock expense and specify the account charged.</p>			
Line No.	Class and Series of Stock (a)	Balance Beg of Year (b)	Balance End of year (c)
1	NONE		
2			
3	Total	\$ -	\$ -

SCHEDULE A-30								
Account 200 - Common Capital Stock								
Line No.	Class of Stock (a)	Number of Shares Authorized by Articles of Incorporation (b)	Par Value of Stock Authorized by Articles of Incorporation (c)	Number of Shares Outstanding ¹ (d)	Balance Beg of Year (e)	Balance End of Year (f)	Dividends Declared During Year	
							Rate (g)	Amount (h)
1	Common Stock	500,000	\$ 5.00	149,076	745,380	745,380	12.5900	7,509,415
2								
3								
4								
5								
6	Total				\$ 745,380	\$ 745,380		\$ 7,509,415

¹ After deduction for amount of reacquired stock held by or for the respondent.

SCHEDULE A-30a								
Account 201- Preferred Capital Stock								
Line No.	Class of Stock (a)	Number of Shares Authorized by Articles of Incorporation (b)	Par Value of Stock Authorized by Articles of Incorporation (c)	Number of Shares Outstanding ¹ (d)	Balance Beg of Year (e)	Balance End of Year (f)	Dividends Declared During Year	
							Rate (g)	Amount (h)
1	Series A - Preferred	100,000	\$ 50.00	43,843.83	2,192,192	2,192,192	0.6563	115,090
2	Series B - Preferred	80,000	\$ 50.00	35,801.50	1,790,075	1,790,075	0.3750	53,702
3								
4								
5								
6	Total				\$ 3,982,267	\$ 3,982,267		\$ 168,792

¹ After deduction for amount of reacquired stock held by or for the respondent.

SCHEDULE A-30b				
Record of Stockholders at End of Year				
Line No.	COMMON STOCK Name (a)	Number Shares (b)	PREFERRED STOCK Name (c)	Number Shares (d)
1	SouthWest Water Company	149,076	SouthWest Water Company (Series A-Preferred)	43,843.83
2			SouthWest Water Company (Series B-Preferred)	35,801.50
3				
4				
5				
6				
7				
8				
9	Total number of shares	149,076	Total number of shares	79,645.33

SCHEDULE A-31			
Account 202 - Stock Liability for Conversion			
Line No.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	NONE		
2			
3			
4			
5	Total	\$ -	\$ -

SCHEDULE A-32
Account 203 - Premiums and Assessments on Capital Stock

Line No.	Class of Stock (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	Common Stock	126,550	126,550
2			
3			
4			
5			
6			
7			
8			
9	Total	\$ 126,550	\$ 126,550

SCHEDULE A-33
Account 206 - Subchapter S Corporation Accumulated Adjustments Account

Line No.	Description of Items (a)	Amount (b)
1	NONE	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		\$ -

SCHEDULE A-34
Account 270 - Capital Surplus (For use by Corporations only)

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	27,289,621
2	CREDITS (Give nature of each credit and state account charged)	
3	27020 - Equity Contribution	6,902,000
4		
5	Total credits	\$ 6,902,000
6	DEBITS (Give nature of each debit and state account credited)	
7		
8		
9		
10	Total debits	\$ -
11	Balance end of year	\$ 34,191,621

SCHEDULE A-35
Account 271 - Earned Surplus (For use by Corporations only)

Line No.	Acct	Account (a)	Amount (b)
1		Balance beginning of year	\$ 117,049,136
2		CREDITS	
3	400	Credit balance transferred from income account	15,371,481
4	401	Miscellaneous credits to surplus (specify)	
5			
6		Total credits	\$ 15,371,481
7		DEBITS	
8	410	Debit balance transferred from income account	
9	411	Dividend appropriations-preferred stock	168,792
10	412	Dividend appropriations-Common stock	7,509,415
11	413	Miscellaneous reservations of surplus	
12	414	Miscellaneous debits to surplus (specify)	
13			
14		Total debits	\$ 7,678,207
15		Balance end of year	\$ 124,742,410

SCHEDULE A-36
Account 204 - Proprietary Capital
(Sole Proprietor or Partnership)

Line No.	Item (a)	Amount (b)
1	Balance Beginning of year	
2	CREDITS	NONE
3	Net income for year	
4	Additional investments during year	
5	Other credits (specify)	
6		
7	Total credits	\$ -
8	DEBITS	
9	Net loss for year	
10	Withdrawals during year	
11	Other debits (specify)	
12		
13	Total debits	\$ -
14	Balance end of year	\$ -

SCHEDULE A-37
Account 205 - Undistributed Profits
of Proprietorship or Partnership
(The use of this account is optional)

Line No.	Item (a)	Amount (b)
1	Balance Beginning of year	
2	CREDITS	NONE
3	Net income for year	
4	Other credits (specify)	
5		
6	Total credits	\$ -
7	DEBITS	
8	Net loss for year	
9	Withdrawals during year	
10	Other debits (specify)	
11		
12	Total debits	\$ -
13	Balance end of year	\$ -

SCHEDULE A-38
Account 210 - Bonds

Line No.	Class of Bond (a)	Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Balance Beg of Year (e)	Balance End of Year (f)	Rate of Interest (g)	Sinking Fund Added in Current Year (h)	Cost of issuance (i)	Interest Accrued During Year (j)	Interest Paid During Year (k)
1	Series D	10/19/04	10/1/24	15,000,000	15,000,000	15,000,000	5.64%			846,000	846,000
2	Series E	10/20/06	10/20/26	10,000,000	10,000,000	10,000,000	6.30%			629,496	629,500
3	Series F	9/30/15	9/30/35	25,000,000	25,000,000	25,000,000	4.42%			1,105,000	1,105,000
4	Series G	12/11/2019	12/15/59	32,000,000	32,000,000	32,000,000	3.70%			1,184,000	1,184,000
5											
6											
7											
8	Total				\$ 82,000,000	\$ 82,000,000		\$ -	\$ -	\$ 3,764,496	\$ 3,764,500

SCHEDULE A-39
Account 211 - Receivers' Certificates

Line No.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	NONE		
2			
3			
4			
5	Total	\$ -	\$ -

SCHEDULE A-40
Account 212 - Advances from Affiliated Companies

Line No.	Nature of Obligation (a)	Balance Beg of Year (b)	Balance End of Year (c)	Rate of Interest (d)	Interest Accrued During Year (e)	Interest Paid During Year (f)
1	NONE					
2						
3						
4						
5	Total	\$ -	\$ -		\$ -	\$ -

SCHEDULE A-41
Account 213 - Miscellaneous Long-Term Debt

Line No.	Nature of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Balance Beg of Year (d)	Balance End of Year (e)	Rate of Interest (f)	Interest Accrued During Year (g)	Interest Paid During Year (h)
1	NONE							
2								
3								
4								
5								
6								
7								
8	Total			\$ -	\$ -		\$ -	\$ -

SCHEDULE A-42
Securities Issued or Assumed During Year

Line No.	Class of Security (a)	Commission Authorization (b)	Amount Issued During Year (omit cents) (c)	Discount or Premium (d)	Expenses (e)
1	NONE				
2					
3					
4					
5	Total		\$ -	\$ -	\$ -

SCHEDULE A-43
Account 220 - Notes Payable

Line No.	In Favor of (a)	Date of Issue (b)	Date of Maturity (c)	Balance Beg of Year (d)	Balance End of Year (e)	Rate of Interest (f)	Interest Accrued During Year (g)	Interest Paid During Year (h)
1								
2								
3	NONE							
4								
5								
6								
7			Total	\$ -	\$ -		\$ -	\$ -

SCHEDULE A-44
Account 221 - Notes Receivable Discounted

Line No.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1			
2	NONE		
3			
4			
5		Total	\$ -

SCHEDULE A-45
Account 222 - Accounts Payable

Line No.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	Accrued Accounts Payable	1,605,353	1,913,442
2	PUC Use Fees Accrual	164,173	347,331
3	Audit Accrual	227,332	119,700
4	City Utility User Tax Accrual	49,798	48,613
5		Total	\$ 2,046,656

SCHEDULE A-46
Account 223 - Payables to Affiliated Companies

Line No.	Nature of Obligation (a)	Balance Beg of Year (b)	Balance End of Year (c)	Rate of Interest (d)	Interest Accrued During Year (e)	Interest Paid During Year (f)
1	Southwest Water	2,361,323	27,310,470	4.70%	586,305	586,305
2						
3						
4						
5						
6						
7		Total	\$ 2,361,323		\$ 586,305	\$ 586,305

SCHEDULE A-47
Account 224 - Dividends Declared

Line No.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	NONE		
2			
3			
4			
5	Total	\$ -	\$ -

SCHEDULE A-48
Account 225 - Matured Long-Term Debt

Line No.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	Bond Series B	8,000,000	-
2			
3			
4			
5	Total	\$ 8,000,000	\$ -

SCHEDULE A-49
Account 226 - Matured Interest

Line No.	Description of Items (a)	Balance Beg of Year (b)	Balance End of Year (c)
1	Bond Series B - interest	262,600	20,200
2			
3			
4			
5	Total	\$ 262,600	\$ 20,200

SCHEDULE A-50
Account 227 - Customers' Deposits

Line No.	Description of Items (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	Customers' Deposit	257,606	224,432
2			
3			
4			
5	Total	\$ 257,606	\$ 224,432

SCHEDULE A-51
Account 229 - Interest Accrued

Line No.	Description of Items (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	229-1 Interest Accrued on Long-Term Debt	551,232	551,228
2			
3			
4			
5	Total	\$ 551,232	\$ 551,228

SCHEDULE A-52
Account 230 - Other Current and Accrued Liabilities

Line No.	Description (a)	Balance Beginning of Year (a)	Balance End of Year (b)
1	Volume Related	6,851,910	5,335,187
2	Accrued Salaries	1,423,264	1,246,355
3	WIP Retention	854,512	936,196
4	Legal Costs	139,936	290,708
5	Franchise Fees Payable	2,691,348	2,914,802
6	Unclaimed Refund Contract Payments	40,773	23,593
7	Deferred Rent - Current	9,753	
8	CA-Dept of Public Health	(117,500)	132,994
9	Lease Liab- Short term		445,457
10			
11			
12			
13			
14			
15			
16	Total	\$ 11,893,996	\$ 11,325,292

SCHEDULE A-53
Account 228 - Taxes Accrued

1. This schedule is intended to give particulars of the combined prepaid and accrued tax accounts and to show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the material on which the tax was levied and charged.
2. Taxes, paid during the year and charged direct to final accounts, that is, not charged to prepaid or accrued taxes, should be included in the schedule. Enter the amounts both in columns (d) and (e). The balancing of the schedule is not affected by the inclusion of these taxes.
3. Taxes charged during the year, column (d), include taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to prepaid taxes for proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. If any tax covers more than 1 year, the required information of all columns should be shown separately for each year.
5. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.
6. See schedule entitled "TAXES CHARGED DURING YEAR," page 51, for a distribution of taxes charged, columns (c) - (f) according to utility departments and accounts.
7. **Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.**

Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE BEGINNING OF YEAR		Taxes Charged During Year (d)	Paid During Year (e)	Adjustments (f)	BALANCE END OF YEAR	
		Taxes Accrued (b)	Prepaid Taxes (c)				Taxes Accrued (Account 228) (g)	Prepaid Taxes (Incl. in Acct. 132) (h)
1	Taxes on real and personal property	(26,982)		2,175,702	2,176,828	(2,087)	(30,195)	
2	State corporation franchise tax			1,440,966	1,440,966			
3	State unemployment insurance tax			67,318	67,318			
4	Other state and local taxes							
5	Federal unemployment insurance tax			33,709	33,709			
6	Fed. ins. contr. act (old age retire.)			922,342	922,342			
7	Other federal taxes							
8	Federal income taxes			3,105,080	3,105,080			
9	Licenses							
10	Miscellaneous							
11								
12								
13								
14	Total	\$ (26,982)	\$ -	\$ 7,745,117	\$ 7,746,243	\$ (2,087)	\$ (30,195)	\$ -

(1) Fed. & State income tax on CIAC & Advances

SCHEDULE A-54
Account 241 - Advances for Construction

Line No.	Description (a)	Amount (b)
1	Balance beginning of year	7,731,072
2	Additions during year	
2a	Gross-up Tax	
3	Subtotal - Beginning balance plus additions during year	\$ 7,731,072
4	Charges during year	
5	Refunds:	
6	Percentage of revenue basis	
7	Proportionate cost basis	288,957
8	Present worth basis	(750)
9	Total refunds	\$ 288,207
10	Transfers to Acct 265 - Contributions in Aid of Construction	
11	Due to expiration of contracts	
12	Due to present worth discount	
13	Total transfers to Acct. 265	\$ -
14	Securities Exchanged for Contracts (enter detail below)	
15	Subtotal - Charges during year	\$ 288,207
16	Balance end of year	\$ 7,442,865

If stock, bonds, etc., were issued in exchange for construction advance contracts give details below:

Line No.	Type of Security or Other Consideration (Other than Cash) (a)	Dividend or Interest Rate (b)	PUC Decision Number (c)	Amount Issued (d)
17	Common stock			
18	Preferred stock			
19	Bonds			
20	Other (describe)			
21				
22				

SCHEDULE A-55
Account 242 - Other Deferred Credits

Line No.	Item (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	Deferred Revenue (CIAC) 242-30		-
2	Developer Deposits 242-00	2,606,138	3,950,427
3	Lessee Deposits 242-40	20,000	20,000
4	Long-term Refund Contracts Unclaimed 242-89	23,468	23,468
5	Long-term Unclaimed Checks Payable 242-90	3,714	147
6	Deferred Rent Non Current 242-50	34,947	-
7a	FASB 109 Federal Reg Liability 242-98	7,110,364	5,810,847
7b	FASB 109 State Reg Liability 242-99	1,064,137	667,641
7c	Balancing Account 242-00	(57,107,401)	(60,097,841)
7d	Balancing Account Contra 242-00	46,852,188	49,297,208
7e	Low Income/Water Conservation 242-00	(1,534,794)	(1,143,789)
7f	Reg Liab-Other 242-95	1,257,336	547,878
7g	Reg Liab - Drought Surcharge 242-95	625,451	1,257,474
7h	Lease Liabilities 242-92		2,611,473
	Total	\$ 955,548	\$ 2,944,933

SCHEDULE A-56
Accounts 254 to 258, Inclusive - Miscellaneous Reserves

Line No.	Account (a)	Balance Beginning of Year (b)	DEBITS		CREDITS		Balance End of Year (g)
			Nature of Items (c)	Amount (d)	Account Charged (e)	Amount (f)	
1	25400	2,659,381		548,646		115,855	\$ 2,226,590
2							\$ -
3							\$ -
4							\$ -
5							\$ -
6							\$ -
7	Total	\$ 2,659,381		\$ 548,646		\$ 115,855	\$ 2,226,590

SCHEDULE A-57
Account 265 - Contributions in Aid of Construction

Line No.	Item (a)	Total All Columns (b)	Contamination Proceeds 265-1 to 265-6		Other 265-7	
			Depreciable (e)	Non-Depreciable (f)	Depreciable (c)	Non-Depreciable (d)
1	Balance beginning of year	\$ 20,138,364			19,875,574	262,790
2	Add: Credits to account during year					
3	Contributions received during year	\$ 1,026,167			1,026,167	
4	Other credits	\$ -				
5	Total credits	\$ 1,026,167	\$ -	\$ -	\$ 1,026,167	\$ -
6	Deduct: Debits to account during year					
7	Depreciation charges for year	\$ 1,025,003			1,025,003	
8	Nondepreciable donated property retired	\$ -				
9	Other debits	\$ -				
10	Total debits	\$ 1,025,003	\$ -	\$ -	\$ 1,025,003	\$ -
11	Balance end of year	\$ 20,139,528	\$ -	\$ -	\$ 19,876,738	\$ 262,790

SCHEDULE A-58			
Account 266 - Accumulated Deferred Income Taxes - Accelerated Tax Depreciation			
Line No.	Description of Items (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	NONE		
2			
3			
4			
5	Total	\$ -	\$ -

SCHEDULE A-59			
Account 267 - Accumulated Deferred Income Taxes Liabilities			
Line No.	Description of Items (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	Accumulated Depreciation (Federal)	10,130,166	10,485,161
2	Loss on Assets Retired (Federal)	510,265	523,558
3	Flow-through Depreciation - Pre 1982 (Federal)	3,737,061	4,336,112
4	Balancing Account (Federal)	2,153,594	2,268,132
5	Gains on Condemnations (Federal)	81,215	58,010
6	State Flow-through Depreciation & Other	5,765,709	6,143,787
7	Other (Federal & State)	45,941	44,787
8	Total	\$ 22,423,951	\$ 23,859,547

SCHEDULE A-60			
Account 268 - Accumulated Deferred Investment Tax Credits			
Line No.	Description of Items (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	Deferred ITC (Unamortized Investments Tax Credits-ITC)	62,078	51,361
2			
3			
4			
5	Total	\$ 62,078	\$ 51,361

SCHEDULE B-1
Account 501 - Operating Revenues

Line No.	Acct.	ACCOUNT (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
1		I. WATER SERVICE REVENUES			
2	601	Metered Sales to General Customers			
3		601-1.1 Residential Sales	66,141,873	66,659,954	\$ (518,081)
4		601-1.2 Residential Low Income Discount (Debit)			\$ -
5		601-2 Commercial Sales	19,389,784	18,351,563	\$ 1,038,221
6		601-3 Industrial Sales	1,718,293	1,918,295	\$ (200,002)
7		601-4 Sales to Public Authorities	4,319,687	4,521,311	\$ (201,624)
8		Sub-total	\$ 91,569,637	\$ 91,451,123	\$ 118,514
9	602	Unmetered Sales to General Customers			
10		602-1.1 Residential Sales			\$ -
11		602-1.2 Residential Low Income Discount (Debit)			\$ -
12		602-2 Commercial Sales			\$ -
13		602-3 Industrial Sales			\$ -
14		602-4 Sales to Public Authorities			\$ -
15		Sub-total	\$ -	\$ -	\$ -
16	603	Sales to Irrigation Customers			
17		603.1 Metered sales			\$ -
18		603.2 Flat Rate Sales			\$ -
19		Sub-total	\$ -	\$ -	\$ -
20	604	Private Fire Protection Service	1,726,893	1,652,962	\$ 73,931
21	605	Public Fire Protection Service			\$ -
22	606	Sales to Other Water Utilities for Resale	41,755	48,174	\$ (6,419)
23	607	Sales to Governmental Agencies by Contracts			\$ -
24	608	Interdepartmental Sales			\$ -
25	609	Other Sales or Service			\$ -
26		Sub-total	\$ 1,768,648	\$ 1,701,136	\$ 67,512
27		Total Water Service Revenues	\$ 93,338,285	\$ 93,152,259	\$ 186,026
28		II. OTHER WATER REVENUES			
29	610	Customer Surcharges			\$ -
30	611	Miscellaneous Service Revenues	289,879	214,074	\$ 75,805
31	612	Rent from Water Property			\$ -
32	613	Interdepartmental Rents			\$ -
33	614	Other Water Revenues	432,980	126,240	\$ 306,740
34	615	Recycled Water Revenues	1,048,705	1,096,517	\$ (47,812)
35		Total Other Water Revenues	\$ 1,771,564	\$ 1,436,831	\$ 334,733
36	501	Total operating revenues	\$ 95,109,849	\$ 94,589,090	\$ 520,759

SCHEDULE B-1a
Operating Revenues Apportioned to Cities and Towns

Line No.	Location (a)	Operating Revenues (b)
31	Operations not within incorporated cities ¹	
32	Los Angeles County	24,205,914
33	Orange County	195,560
34		
35	Operations within incorporated territory	
36	City or town of West Covina	27,101,111
37	City or town of La Puente	4,475,918
38	City or town of Glendora	1,880,706
39	City or town of Industry	1,241,317
40	City or town of Walnut	3,796,691
41	City or town of Whittier	14,772,353
42	City or town of La Mirada	16,229,915
43	City or town of Covina	596,073
44	City or town of La Habra	561,791
45	City or town of Buena Park	52,500
46	Total	\$ 95,109,849

¹ Should be segregated to operating districts.

SCHEDULE B-2

Account 502 - Operating Expenses - For Class A, B, and C Water Utilities

Respondent should use the group of accounts applicable to its class

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
			A	B	C			
1		I. SOURCE OF SUPPLY EXPENSE						
2		Operation						
3	701	Operation supervision and engineering	A	B				\$ -
4	701	Operation supervision, labor and expenses			C			\$ -
5	702	Operation labor and expenses	A	B				\$ -
6	703	Miscellaneous expenses	A			4,746,968	6,495,301	\$ (1,748,333)
7	704	Purchased water	A	B	C	17,243,840	21,702,291	\$ (4,458,451)
8		Maintenance						
9	706	Maintenance supervision and engineering	A	B				\$ -
10	706	Maintenance of structures and facilities			C			\$ -
11	707	Maintenance of structures and improvements	A	B				\$ -
12	708	Maintenance of collect and impound reservoirs	A					\$ -
13	708	Maintenance of source of supply facilities		B				\$ -
14	709	Maintenance of lake, river and other intakes	A					\$ -
15	710	Maintenance of springs and tunnels	A					\$ -
16	711	Maintenance of wells	A			1,542	155	\$ 1,387
17	712	Maintenance of supply mains	A					\$ -
18	713	Maintenance of other source of supply plant	A	B				\$ -
19		Total source of supply expense				\$ 21,992,350	\$ 28,197,747	\$ (6,205,397)
20		II. PUMPING EXPENSES						
21		Operation						
22	721	Operation supervision and engineering	A	B				\$ -
23	721	Operation supervision labor and expense			C			\$ -
24	722	Power production labor and expenses	A					\$ -
25	722	Power production labor, expenses and fuel		B				\$ -
26	723	Fuel for power production	A					\$ -
27	724	Pumping labor and expenses	A	B		772,517	570,758	\$ 201,759
28	725	Miscellaneous expenses	A					\$ -
29	726	Fuel or power purchased for pumping	A	B	C	3,989,992	3,797,401	\$ 192,591
30		Maintenance						
31	729	Maintenance supervision and engineering	A	B				\$ -
32	729	Maintenance of structures and equipment			C			\$ -
33	730	Maintenance of structures and improvements	A	B				\$ -
34	731	Maintenance of power production equipment	A	B				\$ -
35	732	Maintenance of power pumping equipment	A	B		906,018	702,222	\$ 203,796
36	733	Maintenance of other pumping plant	A	B				\$ -
37		Total pumping expenses				\$ 5,668,527	\$ 5,070,381	\$ 598,146

SCHEDULE B-2

Account 502 - Operating Expenses - For Class A, B, and C Water Utilities (Continued)

Respondent should use the group of accounts applicable to its class

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
			A	B	C			
38		III. WATER TREATMENT EXPENSES						
39		Operation						
40	741	Operation supervision and engineering	A	B				\$ -
41	741	Operation supervision, labor and expenses			C			\$ -
42	742	Operation labor and expenses	A			827,364	868,575	\$ (41,211)
43	743	Miscellaneous expenses	A	B				\$ -
44	744	Chemicals and filtering materials	A	B		83,874	41,672	\$ 42,202
45		Maintenance						
46	746	Maintenance supervision and engineering	A	B				\$ -
47	746	Maintenance of structures and equipment			C			\$ -
48	747	Maintenance of structures and improvements	A	B				\$ -
49	748	Maintenance of water treatment equipment	A	B		46,509	39,084	\$ 7,425
50		Total water treatment expenses				\$ 957,747	\$ 949,331	\$ 8,416
51		IV. TRANS. AND DIST. EXPENSES						
52		Operation						
53	751	Operation supervision and engineering	A	B				\$ -
54	751	Operation supervision, labor and expenses			C			\$ -
55	752	Storage facilities expenses	A			164,992	183,844	\$ (18,852)
56	752	Operation labor and expenses		B				\$ -
57	753	Transmission and distribution lines expenses	A					\$ -
58	754	Meter expenses	A					\$ -
59	755	Customer installations expenses	A					\$ -
60	756	Miscellaneous expenses	A					\$ -
61		Maintenance						
62	758	Maintenance supervision and engineering	A	B				\$ -
63	758	Maintenance of structures and plant			C			\$ -
64	759	Maintenance of structures and improvements	A	B				\$ -
65	760	Maintenance of reservoirs and tanks	A	B		33,317	40,924	\$ (7,607)
66	761	Maintenance of trans. and distribution mains*	A			2,258,080	2,192,559	\$ 65,521
67	761	Maintenance of mains		B				\$ -
68	762	Maintenance of fire mains	A					\$ -
69	763	Maintenance of services	A			470,593	450,819	\$ 19,774
70	763	Maintenance of other trans. and distribution plant		B				\$ -
71	764	Maintenance of meters	A			60,442	81,056	\$ (20,614)
72	765	Maintenance of hydrants	A			8,671	11,916	\$ (3,245)
73	766	Maintenance of miscellaneous plant	A					\$ -
74		Total transmission and distribution expenses				\$ 2,996,095	\$ 2,961,118	\$ 34,977

SCHEDULE B-2

Account 502 - Operating Expenses - For Class A, B, and C Water Utilities (Continued)

Respondent should use the group of accounts applicable to its class

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
			A	B	C			
75		V. CUSTOMER ACCOUNT EXPENSES						
76		Operation						
77	771	Supervision	A	B				\$ -
78	771	Superv., meter read., other customer acct expenses			C			\$ -
79	772	Meter reading expenses	A	B		462,328	467,298	\$ (4,970)
80	773	Customer records and collection expenses	A			1,581,454	1,662,788	\$ (81,334)
81	773	Customer records and accounts expenses		B				\$ -
82	774	Miscellaneous customer accounts expenses	A					\$ -
83	775	Uncollectible accounts	A	B	C	139,875	(76,024)	\$ 215,899
84		Total customer account expenses				\$ 2,183,657	\$ 2,054,062	\$ 129,595
85		VI. SALES EXPENSES						
86		Operation						
87	781	Supervision	A	B				\$ -
88	781	Sales expenses			C			\$ -
89	782	Demonstrating selling expenses	A					\$ -
90	783	Advertising expenses	A			450,183	432,504	\$ 17,679
91	784	Miscellaneous, jobbing and contract work	A					\$ -
92	785	Merchandising, jobbing and contract work	A					\$ -
93		Total sales expenses				\$ 450,183	\$ 432,504	\$ 17,679
94		VII. RECYCLED WATER EXPENSES						
95		Operation and Maintenance						
96	786	Recycled water operation and maint. expenses						\$ -
97		Total recycled water expenses				\$ -	\$ -	\$ -
98		VIII. ADMIN. AND GENERAL EXPENSES						
99		Operation						
100	791	Administrative and general salaries*	A	B	C	4,662,342	4,875,560	\$ (213,218)
101	792	Office supplies and other expenses	A	B	C	2,766,660	1,721,530	\$ 1,045,130
102	793	Property insurance	A			766,150	670,537	\$ 95,613
103	793	Property insurance, injuries and damages		B	C	-		\$ -
104	794	Injuries and damages	A			832,188	802,967	\$ 29,221
105	795	Employees' pensions and benefits	A	B	C	5,194,563	4,778,273	\$ 416,290
106	796	Franchise requirements	A	B	C	1,132,920	1,051,826	\$ 81,094
107	797	Regulatory commission expenses	A	B	C	1,812,482	1,711,998	\$ 100,484
108	798	Outside services employed	A			396,219	514,984	\$ (118,765)
109	798	Miscellaneous other general expenses		B				\$ -
110	798	Miscellaneous other general operation expenses			C			\$ -
111	799	Miscellaneous general expenses*	A			7,713,548	7,612,915	\$ 100,633
112		Maintenance						
113	805	Maintenance of general plant	A	B	C	236,310	184,232	\$ 52,078
114		Total administrative and general expenses				\$ 25,513,382	\$ 23,924,822	\$ 1,588,560
115		XI. MISCELLANEOUS						
116	810	Customer surcredits						\$ -
117	811	Rents	A	B	C	566,656	622,243	\$ (55,587)
118	812	Administrative expenses transferred - Cr.	A	B	C	(4,670,811)	(4,094,231)	\$ (576,580)
119	813	Duplicate charges - Cr.	A	B	C			\$ -
119a	901	Charges by associated companies, clearing *	A					\$ -
119b	902	Stores expense, clearing	A					\$ -
119c	903	Transportation expense, clearing *	A					\$ -
119d	906	Tools and work equipment, clearing *	A					\$ -
120		Total miscellaneous				\$ (4,104,155)	\$ (3,471,988)	\$ (632,167)
121		Total operating expenses				\$ 55,657,786	\$ 60,117,977	\$ (4,460,191)

SCHEDULE B-3
Account 506 - Property Losses Chargeable to Operations

Line No.	Description (a)	Amount
1	NONE	
2		
3		
4		
5		
6		
7		
8	Total	\$ -

SCHEDULE B-4
Account 507 - Taxes Charged During Year

1. This schedule is intended to give the account distribution of total taxes charged to operations and other final accounts during the year.
2. Do not include gasoline and other sales taxes which have been charged to accounts to which the material on which the tax was levied was charged. If the actual or estimated amounts of such taxes are known, they should be shown as a footnote and designated whether estimated or actual amounts.
3. The accounts to which taxes charged were distributed should be shown in columns (c) to (f). Show both the utility department and number of account charged except for taxes capitalized.
4. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis of apportioning such tax.
5. The total taxes charged as shown in column (b) should agree with the amounts shown by column (d) of schedule entitled "Accrued and Prepaid Taxes," page 39.
6. Do not include in this schedule entries with respect to deferred income taxes, or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

Line No.	Kind of Tax (a)	Total Taxes Charged During Year (b)	DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)			
			Water (Account 507) (c)	Nonutility (Account 521) (d)	Other (Account -----) (e)	Capitalized (Omit Account) (f)
1	Federal corporate income taxes	\$ 3,105,080	3,105,080			
2	California corporate franchise taxes	\$ 1,440,966	1,440,966			
3	Property taxes	\$ 2,175,702	2,170,350		5,352	
4	Other taxes	\$ -				
5	State unemployment insurance tax	\$ 67,318	67,318			
6	Federal unemployment insurance tax	\$ 33,709	33,709			
7	Federal insurance contributions act	\$ 922,342	922,342			
8	Payroll taxes capitalized	\$ -	(70,540)			70,540
9	Accrued payroll taxes	\$ -				
10		\$ -				
11		\$ -				
12		\$ -				
13		\$ -				
14	Total	\$ 7,745,117	\$ 7,669,225	\$ -	\$ 5,352	\$ 70,540

SCHEDULE B-5

Reconciliation of Reported Net Income With Taxable Income for Federal Taxes

1. Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. Show taxable year if other than calendar year from-----to-----.

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 19	\$ 15,371,481
2	Reconciling amounts (list first additional income and unallowable deductions, followed by additional	
3	deductions for non-taxable income):	
4	Federal income taxes	3,105,080
5	State income taxes	1,440,966
6	Taxable income not recorded on books:	
7	Income from deferral of gains on sales of properties	110,498
8	Tax deductions not recorded on books:	
9	Amortization of Contributions	(123,057)
10	State tax (Priv. 2018) California	(1,125,920)
11	Reversal of Property Tax Benefit	-
12	Flow-through depreciation	(2,253,574)
13	Normalized depreciation - 1982 and forward	(1,690,452)
14	IDC - capitalized interest	524,828
15	Repayment of advances including gross up	(102,036)
16	CIAC Utility Plant (excludes amortization) and CIAC Gross Up	(1,448,476)
17	Tax Basis Gain (Loss) on Retirement of Assets	(63,298)
18	Book income not recorded on return:	
19	Amortization of deferred revenue associated with contributions	(33,486)
20	Book expenses not deducted on return	(297,019)
21		
22		
23		
24		
25		
26		
27		
28		
29		
30	Federal tax net income	\$ 13,415,535
31	Computation of tax:	
32	Federal tax rate (21) Calculated Tax	2,817,262
33	Federal tax rate based on 21%*	-
34	Amortization of ITC on '82-89 Assets	(10,717)
35	Tax per return	\$ 2,806,545

SCHEDULE B-6
Account 508 - Income from Utility Plant Leased to Others

Line No.	Acct.	Description of Items (a)	Amount (b)
1			
2			
3		NONE	
4			
5		Total	\$ -

SCHEDULE B-7
Account 510 - Rent for Lease of Utility Plant

Line No.		Description of Items (a)	Amount (b)
1			
2			
3		NONE	
4			
5		Total	\$ -

SCHEDULE B-8
Account 521 - Income from Nonutility Operations

Line No.	Description (a)	Revenue (b)	Expenses (c)	Net Income (d)
1				\$ -
2				\$ -
3	NONE			\$ -
4				\$ -
5	Totals	\$ -	\$ -	\$ -

SCHEDULE B-9
Account 522 - Revenues from Lease of Other Physical Property

Line No.	Description of Items (a)	Amount (b)
1		
2		
3	NONE	
4		
5	Total	\$ -

SCHEDULE B-10
Account 523 - Dividend Revenues

Line No.	Description of Items (a)	Amount (b)
1		
2		
3	NONE	
4		
5	Total	\$ -

SCHEDULE B-11
Account 524 - Interest Revenues

Line No.	Description of Items (a)	Amount (b)
1	Interest Income	31,401
2		
3		
4		
5	Total	\$ 31,401

SCHEDULE B-12
Account 525 - Revenues from Sinking and Other Funds

Line No.	Description of Items (a)	Amount (b)
1		
2		
3	NONE	
4		
5	Total	\$ -

SCHEDULE B-13
Account 526 - Miscellaneous Nonoperating Revenues

Line No.	Description (a)	Amount (b)
1	Misc. Non-Operating Expense (Revenues)	(1,103,564)
2		
3		
4		
5		
6		
7		
8	Total	\$ (1,103,564)

SCHEDULE B-14
Account 527 - Nonoperating Revenue Deductions

Line No.	Description (a)	Amount (b)
1	AD Valorem Tax Expense	5,352
2		
3		
4		
5	Total	\$ 5,352

SCHEDULE B-15
Account 530 - Interest on Long-Term Debt

Line No.	Description of Items (a)	Amount (b)
1	Interest Expense - Long Term Debt	3,790,196
2		
3		
4		
5	Total	\$ 3,790,196

SCHEDULE B-16
Account 531 - Amortization of Debt Discount and Expense

Line No.	Description of Items (a)	Amount (b)
1	Amortization of Debt Issue Cost	90,611
2		
3		
4		
5	Total	\$ 90,611

SCHEDULE B-17
Account 532 - Amortization of Premium on Debt - Cr.

Line No.	Description of Items (a)	Amount (b)
1		
2		
3	NONE	
4		
5	Total	\$ -

SCHEDULE B-18
Account 533 - Taxes Assumed on Interest

Line No.	Description of Items (a)	Amount (b)
1		
2		
3	NONE	
4		
5	Total	\$ -

SCHEDULE B-19
Account 534 - Interest on Debt to Affiliated Companies

Line No.	Description of Items (a)	Amount (b)
1	Intercompany Interest Expense (Income)	586,305
2		
3		
4		
5	Total	\$ 586,305

SCHEDULE B-20
Account 535 - Other Interest Charges

Line No.	Description (a)	Amount (b)
1		
2		
3	NONE	
4		
5	Total	\$ -

SCHEDULE B-21
Account 536 - Interest Charged to Construction - Cr.

Line No.	Description of Items (a)	Amount (b)
1		
2		
3	NONE	
4		
5	Total	\$ -

SCHEDULE B-22
Account 537 - Miscellaneous Amortization

Line No.	Description of Items (a)	Amount (b)
1		
2		
3	NONE	
4		
5	Total	\$ -

SCHEDULE B-23
Account 538 - Miscellaneous Income Deductions

Line No.	Description (a)	Amount (b)
1	Donations	104,323
2	Political Contributions- California Water Association	8,100
3	Other Expenses	117,664
4		
5		
	Total	230,087

SCHEDULE B-24
Account 540 - Miscellaneous Reservations of Net Income

Line No.	Description of Items (a)	Amount (b)
1		
2		
3	NONE	
4		
5	Total	\$ -

SCHEDULE C-2

Compensation of Individual Proprietor or Partner

Do operating expenses include any charge for owner's compensation in the form of salary or wages, rental allowances, or for the use of a private automobile? (If the word "none" truly states the fact it should be given as the answer to this inquiry.)

Line No.	Nature of Allowance (a)	Account Charged (b)	Amount (c)
1			
2			
3	NONE		
4			
5			
6		Total	\$ -

SCHEDULE C-3

Employees and Their Compensation

(Charged to Account 502 - Operating Expenses - Schedule B-2)

Line No.	Classification (a)	Number at End of Year (b)	Total Salaries and Wages Paid During Year (c)
1	Employees - Source of supply		
2	Employees - Pumping	20	1,988,104
3	Employees - Water treatment	5	540,259
4	Employees - Transmission and distribution	18	1,803,574
5	Employees - Customer account	18	1,814,678
6	Employees - Sales		
7	Employees - Administrative		
8	General officers	7	2,488,002
9	General office	59	4,119,235
10	Additional Labor - Transferred		(1,394,188)
11	Capitalized Labor		1,034,382
12	Affiliated Transactions		359,806
13	Total	127	\$ 12,753,852

SCHEDULE C-4

Record of Accidents During Year

Line No.	Date of Accident (a)	TO PERSONS					TO PROPERTY			
		Employees on Duty		Public ¹		Total Number (f)	Company		Other	
		Killed (b)	Injured (c)	Killed (d)	Injured (e)		Number (g)	Amount (h)	Number (i)	Amount (j)
1			-			-	20	123,452		
2			-			-				
3						-				
4	Total	-	-	-	-	-	20	\$ 123,452	-	\$ -

¹ Accidents to employees not on duty should be included in "Public" accidents

SCHEDULE C-5
Expenditures for Political Purposes

Hereunder report all direct or indirect expenditures incurred or made to elect or defeat a candidate for public office; or to place any measure on the ballot; at any election, or to keep it from being placed on the ballot at any election, or to support or defeat any measure on the ballot; at an election, or to support or defeat any proposed legislation, also name the account or accounts to which the expenditures herein mentioned have been charged. (If the word "none" truly states the fact, it should be given as the answer to this inquiry.)

1	California Water Association	8,100
2		
3		
4		
5		
6	Total	\$ 8,100

SCHEDULE C-6
Loans to Directors, or Officers, or Shareholders

Show hereunder the amount of loans to directors, or officers, or shareholders and the terms and conditions of such loans. Among other things, show the name of each director, or officer, or shareholder, receiving a loan or loans, the amount of each loan, the rate of interest payable on such loan or loans, the maturity date of each loan or loans, the security given and the date when the shareholders authorized each loan. If such authorization was given. (If the word "none" truly states the fact, it should be given as the answer to this inquiry.)

1		
2		
3	NONE	
4		
5		
6	Total	\$ -

SCHEDULE C-7
Bonuses Paid to Executives & Officers

Show hereunder the amount of bonuses paid to Executives and Officers, both cash and non-cash. List by the name of each Executive or Officer receiving the bonus, the dollar value of that bonus, and a description of the bonus if it is non-cash.

1		
2		
3	See Attached	1,283,144
4		
5		
6	Total	\$ 1,283,144

SUBURBAN WATER SYSTEMS
Annual PUC Report
SCHEDULE C-7 (Support)
Bonuses Paid to Executives & Officers
2022

	TOTAL
Anthony Stevens	64,736
Timothy Miller	101,164
Robert Kelly	119,318
Gregory Galindo	74,968
Jorge Lopez	76,769
Craig Gott	185,065
Jocelyn Padilla	75,944
Alison Zimlich	310,333
Joseph Park	274,847
	<hr/> 1,283,144 <hr/>

**SCHEDULE D-1
Sources of Supply and Water Developed**

STREAMS				FLOW IN(unit) ²				Annual Quantities Diverted(Unit) ²	Remarks
Line No.	Diverted into*	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
				Claim	Capacity	Max.	Min.		
1									
2									
3			NONE						
4									
5									

WELLS							Annual Quantities Pumped(Unit) ²	Remarks
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	¹ Depth to Water	Pumping Capacity(Unit) ²		
6								
7								
8				SEE ATTACHED				
9								
10								

TUNNELS AND SPRINGS				FLOW IN(Unit) ²		Annual Quantities Used(Unit) ²	Remarks
Line No.	Designation	Location	Number	Maximum	Minimum		
11							
12							
13			NONE				
14							
15							

Purchased Water for Resale	
16	Purchased from
17	Annual quantities purchased (Unit chosen) ²
18	SEE ATTACHED
19	

* State ditch, pipe line, reservoir, etc., with name, if any.
¹ Average depth to water surface below ground surface.
² The quantity unit in established use for expressing water stored and used in large amounts is the acre foot, which equals 42,560 cubic feet: in domestic use the thousand gallon or the hundred cubic feet. The rate of flow or discharge in larger amounts is expressed in cubic feet per second, in gallons per minute, in gallons per day, or in the miner's inch. Please be careful to state the unit used.

**SCHEDULE D-2
Description of Storage Facilities**

Line No.	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
1	A. Collecting reservoirs			
2	Concrete			
3	Earth			
4	Wood			
5	B. Distribution reservoirs		SEE ATTACHED	
6	Concrete			
7	Earth			
8	Wood			
9	C. Tanks			
10	Wood			
11	Metal			
12	Concrete			
13	Total	-	-	

**Suburban Water Systems
Wells
Schedule D-1 2022**

<u>Plant and Location</u>	<u>Dimensions of Casing</u>	<u>Water Depth</u>	<u>Capacity in G. P. M</u>	<u>Acre Feet Pumped</u>
<i>San Jose Hills District</i>				
121 W1 Stone	16"	195' SWL	1,850	957.43
126 W2 Rio Verde	18"	229' SWL	1,147	0.00
125 W2	18"	189' SWL	780	0.00
139 W2 La Puente CO.	26"	187' SWL	2,510	0.00
139 W4 La Puente CO.	20"	189' SWL	1,800	0.00
139 W5 La Puente CO.	18"	188' SWL	3,300	0.00
139 W6 La Puente CO.	18"	153' SWL	3,500	0.00
140 W3 La Grande	18"	153' SWL	1,107	0.00
140 W4 La Grande	18"	150' SWL	2,657	0.00
140 W5 La Grande	18"	182' PWL	2,800	0.02
142 W2 Vine	16"	219' PWL	2,800	3,883.65
147 W3 Jones	18"	142' SWL	1,220	0.00
151 W2	18"	247' PWL	3,090	<u>1,972.47</u>
<u>Total Acre Feet - San Jose Hills District</u>				6,813.57

<u>Plant and Location</u>	<u>Dimensions of Casing</u>	<u>Water Depth</u>	<u>Capacity in G. P. M</u>	<u>Acre Feet Pumped</u>
<i>Whittier \ La Mirada District</i>				
201 W4 Bartolo	16"	48' SWL	1,920	0.00
201 W7 Bartolo	18"	119' PWL	3,320	3,700.06
201 W8 Bartolo	18"	170' PWL	3,677	363.68
201 W9 Bartolo	18"	96' PWL	3,700	2,656.32
201 W10 Bartolo	18"	53' SWL	4,000	3,490.77
409 W3 Canary	16"	245' PWL	730	39.55
410 W1 Firestone	14"	161' PWL	665	<u>1,058.01</u>
<u>Total Acre Feet - Whittier \ La Mirada District</u>				<u>11,308.39</u>
<u>Total Acre Feet Company</u>				<u>18,121.96</u>

Purchased Water for Resale

<i>San Jose Hills District</i>		<u>Acre feet Purchased</u>
City of Covina		0.02
City of Glendora		106.92
Covina Irrigating Company		5,893.61
La Puente Valley County Water District		2,170.38
Rowland Water District		0.00
Upper San Gabriel Valley Municipal Water District		1,249.20
Valencia Heights Water Company		0.00
Valley Counties Municipal Water District		3,544.51
Walnut Valley Water District		<u>3,019.50</u>
<u>Total Acre Feet San Jose District</u>		15,984.14
<i>Whittier \ La Mirada District</i>		<u>Acre feet Purchased</u>
California Domestic Water Company		7,696.86
Central Basin Municipal Water District		38.69
City of Fullerton		0.00
City of La Habra		0.00
City of Whittier		0.30
La Habra Heights County Water District		0.49
Orchard Dale Water District		(0.03)
San Gabriel Valley Water Company		<u>1.76</u>
<u>Total Acre Feet Whittier \ La Mirada District</u>		7,738.07
<u>Total Acre Feet Company</u>		<u>23,722.21</u>

Suburban Water Systems

Schedule D-2 2022

Reservoirs

<u>San Jose Hills District</u>	<u>Number</u>	<u>Gallons</u>
Concrete	2	2,000,000
Metal Tanks	<u>18</u>	<u>42,880,000</u>
Total	20	44,880,000
<u>Whittier / La Mirada District</u>		
Concrete	2	7,060,000
Metal Tanks	<u>12</u>	<u>24,600,000</u>
Total	14	31,660,000
<u>Company Totals</u>		
Concrete	4	9,060,000
Metal Tanks	<u>30</u>	<u>67,480,000</u>
Total	34	76,540,000

SCHEDULE D-3

Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES
Capacities in Cubic Feet Per Second or Miner's Inches (State Which) _____

Line No.		0 to 5	6 to 10	11 to 20	21 to 30	31 to 40	41 to 50	51 to 75	76 to 100
1	Ditch								
2	Flume								
3	Lined conduit								
4					NONE				
5	Total	-	-	-	-	-	-	-	-

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES - Continued
Capacities in Cubic Feet Per Second or Miner's Inches (State Which) _____

Line No.		101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000	Total All Lengths
6	Ditch								-
7	Flume				NONE				-
8	Lined conduit								-
9									-
10	Total	-	-	-	-	-	-	-	-

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING

Line No.		1	1 1/2	2	2 1/2	3	4	5	6	8
11	Cast Iron									
12	Cast Iron (cement lined)									
13	Concrete									
14	Copper									
15	Riveted steel	SEE ATTACHED								
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos									
19	Welded steel									
20	Wood									
21	Other (specify)									
22	Total	-	-	-	-	-	-	-	-	-

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - Continued

Line No.		10	12	14	16	18	20	Other Sizes (Specify Sizes)		Total All Sizes
23	Cast Iron									-
24	Cast Iron (cement lined)									-
25	Concrete									-
26	Copper									-
27	Riveted steel	SEE ATTACHED								
28	Standard screw									-
29	Screw or welded casing									-
30	Cement - asbestos									-
31	Welded steel									-
32	Wood									-
33	Other (specify)									-
34	Total	-	-	-	-	-	-	-	-	-

Water Main (LF)	Diameter of Main (inch)																					Grand Total (LF)		
	0.75	1	1.5	2	2.5	3	4	5	6	8	10	12	14	16	18	20	24	26	27	28	30		36	42
Asbestos Cement	0	0	0	506	0	913	480,499	337	1,112,666	1,260,055	52,523	415,634	2,275	79,936	10,978	12,017	987	0	0	0	0	4,447	0	3,433,773
Cast Iron	0	0	0	0	0	0	4,729	0	10,954	2,196	0	0	0	0	0	0	0	0	0	0	0	0	0	17,879
Concrete	0	0	0	0	0	0	0	0	0	4	0	252	42	5,320	939	2,229	1,985	448	1,726	1,699	10	1,414	0	16,068
Ductile Iron	0	0	0	122	0	5	268	0	1,079	3,491	74	3,037	63	61,765	2,940	11,792	26,113	0	0	0	29,782	0	165	140,696
Galvanized Iron	229	211	59	2,266	0	28	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,811
HDPE	0	0	0	340	0	0	0	0	0	1,544	391	3,118	0	0	0	0	0	0	0	4,312	0	0	0	9,705
GREY PLASTIC	0	0	55	4,649	0	0	10,130	0	1,015	548	0	0	0	0	0	0	0	0	0	0	0	0	0	16,397
PVC	0	0	361	783	0	0	34,561	6	81,421	297,492	1,193	176,387	0	8,935	0	5,863	131	0	0	0	0	0	0	607,133
STEEL	0	0	10	2,788	0	244	17,130	1,769	12,794	48,598	12,108	54,147	12,943	31,044	3,280	7,412	15,653	6,232	10,482	1,623	28,454	408	0	267,119
OTHER	0	59	8	1,917	0	39	8,682	0	13,027	16,267	304	402	4	0	0	0	0	0	0	8	0	0	0	40,717
Grand Total (LF)	229	270	493	13,371	0	1,229	556,017	2,112	1,232,956	1,630,195	66,593	652,977	15,327	187,000	18,137	39,313	44,869	6,680	12,208	7,642	58,246	6,269	165	4,552,298

SCHEDULE D-4				
Number of Active Service Connections				
Classification	Metered - Dec 31		Flat Rate - Dec 31	
	Prior Year	Current Year	Prior Year	Current Year
Residential	60,012	59,023		
Commercial	4,340	4,349		
Industrial	34	35		
Public authorities	282	283		
Low Income	10,536	11,627		
Irrigation				
Other (specify) Constr Wtr, Recycled	72	70		
Other Utility	14	14		
Subtotal	75,290	75,401	-	-
Private fire connections			765	771
Public fire hydrants			484	484
Total	75,290	75,401	1,249	1,255

SCHEDULE D-5			
Number of Meters and Services on Pipe Systems at End of Year			
Size	WLM Meters	SJH Meters	
5/8 x 3/4 in	5,360	2,034	
3/4 in	20,710	30,827	
1 in	5,765	7,300	
1 1/2 in	678	873	
2 in	631	837	
3 in	87	144	
4 in	67	62	
6 in	11	9	
8 in	1	4	
10 in		1	
Other	629	626	
Total	33,939	42,717	76,656

SCHEDULE D-6	
Meter Testing Data	
A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:	
1. New, after being received . . .	0
2. Used, before repair	9
3. Used, after repair	0
4. Found fast, requiring billing adjustment	0
B. Number of Meters in Service Since Last Test	
1. Ten years or less	42,328
2. More than 10, but less than 15 years	14,256
3. More than 15 years	18,817

SCHEDULE D-7

Water delivered to Metered Customers by Months and Years in hundreds of cubic feet (Unit Chosen)¹

Classification of Service	During Current Year							
	January	February	March	April	May	June	July	Subtotal
Residential	778,947	785,918	971,953	855,499	974,833	1,164,849	1,026,634	6,558,633
Commercial	274,676	267,899	354,515	308,933	372,062	416,856	360,366	2,355,307
Industrial	43,565	37,764	48,275	12,961	60,347	47,563	27,310	277,785
Public authorities	25,465	31,474	45,589	46,974	55,148	81,342	83,684	369,676
Irrigation								-
Other (specify)	16,038	10,815	12,501	28,307	34,233	41,610	52,653	196,157
								-
Total	1,138,691	1,133,870	1,432,833	1,252,674	1,496,623	1,752,220	1,550,647	9,757,558

Classification of Service	During Current Year							Total Prior Year
	August	September	October	November	December	Subtotal	Total	
Residential	1,275,504	1,085,754	992,837	879,483	730,911	4,964,489	11,523,122	12,707,443
Commercial	490,559	390,708	390,089	340,820	265,359	1,877,535	4,232,842	4,094,802
Industrial	42,380	21,420	70,883	18,901	23,531	177,115	454,900	542,821
Public authorities	99,906	80,455	72,103	57,082	38,740	348,286	717,962	749,268
Irrigation						-	-	-
Other (specify)	45,566	38,841	29,287	11,128	15,470	140,292	336,449	323,302
						-	-	
Total	1,953,915	1,617,178	1,555,199	1,307,414	1,074,011	7,507,717	17,265,275	18,417,636

¹ Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet, or miner's inch-days.

Total acres irrigated _____ N/A _____

Total population served _____ 298,367 _____

Other (specify)*
 Flood Meter
 Other Utility
 Recycled

**SCHEDULE E-1
Balancing and Memorandum Accounts**

2022 Financial Accounting									
Line No.	Description (a)	Authorized by Decision, Resolution No. or Advice Letter (b)	Beginning of Year Balance (c)	Offset Revenues (d)	Offset Expenses (e)	Interest (f)	Surcharge (g)	Surcredit (h)	End of Year Balance (i)
1	Recycled Water Balancing Account	AL 339-W	35,816		88,165		(31,862)	387	92,506
2	Volume Related Balancing Accounts	AL 339-W	1,308,963		9,869,364		(2,443,217)	29,672	8,764,782
3	Volume Related Reserve Accounts - July 2022 to December 2022	D.03-06-072	8,831,718		(6,917,454)				1,914,264
4	Recycled Water Reserve Account - July 2022 to December 2022	D.14-12-038	78,716		(49,636)				29,080
5	Mandatory Conservation Memorandum Account (MCMA)	RES W-5000	41,346		540,448				81,794
6	Water Revenue Adjustment Mechanism (WRAM) Balancing Account	D.14-12-038	(254,299)						(254,299)
7	Water Revenue Adjustment Mechanism (WRAM) Balancing Account - 2022	AL 369			(1,490,427)		858,404		(632,023)
8	Low Income Ratepayer Assistance Memorandum Account (Jan 14 -Sep 16)	D.19-05-029	(34,231)						(34,231)
9	Low Income Ratepayer Assistance Memorandum Account (Oct 16 -Sep 19)	AL 359-W	(107,840)					90,062	(17,778)
10	Low Income Ratepayer Assistance Memorandum Account (Oct 19-Dec 22)	D.08-02-037	(12,633)				(836,846)	1,110,451	260,972
11	Low Income Customer Data Sharing Memorandum Account	D.11-05-020	1,196		325				1,521
12	2021 LIRA Surety	AL 362-W			29,356				29,356
13	Affiliate Transfer Fee Memorandum Account	D.14-12-038			(27,771)				(27,771)
14	Military Family Relief Program Memorandum Account	D.03-06-072	8,164		(5,075)				3,089
15	2017 Water Contamination Litigation Memorandum Account	W-4094	276,005		(263,597)				12,408
16	Employee Healthcare Balancing Account	D.19-05-029	(349,765)						(349,765)
17	2018 Cost of Capital Memorandum Account (CoCMA)	AL 331-W-A	83,719		(83,719)				-
18	Cost of Capital D.19-05-029	D.19-05-029	(166,482)						(166,482)
19	Cost of Capital D.21-10-024	D.21-10-024	(91,874)		(91,874)				(183,748)
20	2020 Rate Case Expense	D.19-05-029	27,182						27,182
21	2023 GRC amortize in 2021- 2023	D.21-10-024	(290,452)		(118,831)				(409,283)
22	School Lead Testing Memorandum Account	AL 321-W-A	5,911		(5,911)				-
23	Drinking Water Fees Memorandum Account	AL 319-W-A	59,002		(1,222)				57,780
24	2021 Drinking Water Fees Memorandum Account	AL 361-W	2,645						2,645
25	Asbestos Litigation Memorandum Account (ALMA)	D.18-01-014	20,013		(20,013)				-
26	2018, 2019, 2020 Tax Cuts and Jobs Act (TCJA) Memorandum Account	AL 337-W, 348-W, 356-W	304,230						304,230
27	Conservation Expenses One-Way Balancing Account (CEOWBA) (2021-2023)	D.21-10-024	432,504		17,679				450,183
28	Allocated Parent Company Information Technology (IT) Rate Base Memo Acct (APCTRBMA)	AL 359-W	74,197		(29,837)				44,360
29	Parent IT Rate Base Memo Acct 2019-2020	AL 365-W	(376,588)		544,502				167,914
30	A.17-01-001 Interim Rates Memorandum Account	AL 336-W	542,924			24,127		(797,350)	(230,299)
31	A.20-03-001 Interim Rates Memorandum Account	AL 362-W	6,723,064			7,615		(2,740,926)	3,989,753
32	Reservoir 216 Land Exchange Memorandum Account (AL 298-W)	D.12-04-009	553,059						553,059
33	Catastrophic Event Memorandum Account (CEMA)	AL 345-W	2,572,707		(463,139)				2,109,568
34	Per- and Polyfluoroalkyl Substances Memorandum Account (PFASMA)	AL 343-W-B			71,423				71,423
35	Sativa Transaction Cost Memorandum Account	D.22-04-010	475,546		(313,332)				162,214
36	Sativa Transaction Cost Memorandum Account (STMA)	D.22-04-010							-
37	Military Family Relief Program (MFRP) Memo Account	D.03-06-072							-
38	Low Income Customer Data Sharing Memo Account	D.11-05-020							-
39	Affiliate Transfer Fee Memorandum Account	D.14-12-038							-
40	Water Contamination Litigation Memorandum Account	D.21-10-024							-
41	Income Tax Component of Contribution Provision	D.87-09-026							-
42	Environmental Improvements and Compliance Issues for Acquisitions Memo Acct (EICIAM)	D.22-04-010							-
43	Sativa Production Cost Balancing Account (SPCBA)	D.22-04-010							-

**SCHEDULE E-1
Balancing and Memorandum Accounts**

2022 Regulatory Accounting									
Line No.	Description (a)	Authorized by Decision, Resolution No. or Advice Letter (b)	Beginning of Year Balance (c)	Offset Revenues (d)	Offset Expenses (e)	Interest (f)	Surcharge (g)	Surcredit (h)	End of Year Balance (i)
1	Recycled Water Balancing Account	AL 339-W	34,589		80,734		(31,862)		83,461
2	Volume Related Balancing Accounts	AL 339-W	2,594,248		11,079,439		(2,443,217)		11,230,470
3	Mandatory Conservation Memorandum Account (MCMA)	RES W-5000	4,901						4,901
4	Water Revenue Adjustment Mechanism (WRAM) Balancing Account	D.14-12-038	(247,447)						(247,447)
5	Water Revenue Adjustment Mechanism (WRAM) Balancing Account - 2022	AL 369			(1,490,427)		858,404		(632,023)
6	Low Income Ratepayer Assistance Amortization (Jan 14 to Sep 16)	D.14-12-038	(34,416)						(34,416)
7	Low Income Ratepayer Assistance Memorandum Account (Oct 16 -Sep 19)	AL 359-W			(108,190)		90,062		(18,128)
8	Employee Healthcare Balancing Account	D.19-05-029	(41,410)						(41,410)
9	2018 Cost of Capital Memorandum Account (CoCMA)	AL 331-W-A							-
10	Cost of Capital D.19-05-029	D.19-05-029							-
11	Cost of Capital D.21-10-024	D.21-10-024	183,749				(91,874)		91,875
12	2023 GRC amortize in 2021- 2023	D.21-10-024	580,905				(290,452)		290,453
13	School Lead Testing Memorandum Account	AL 321-W-A							-
14	Drinking Water Fees Memorandum Account	AL 319-W-A							-
15	2021 Drinking Water Fees Memorandum Account	AL 361-W							-
16	Asbestos Litigation Memorandum Account (ALMA)	D.18-01-014							-
17	2018, 2019, 2020 Tax Cuts and Jobs Act (TCJA) Memorandum Account	AL 337-W, 348-W, 356-W	1,670						1,670
18	Conservation Expenses One-Way Balancing Account (CEOWBA) (2021-2023)	D.21-10-024	917,496					(450,183)	467,313
19	Allocated Parent Company Information Technology (IT) Rate Base Memo Acct (APCTRBMA)	AL 359-W			74,197			(30,204)	43,993
20	Parent IT Rate Base Memo Acct 2019-2020	AL 365-W			870,243			(684,210)	186,033
21	A.17-01-001 Interim Rates Memorandum Account	AL 336-W	566,965					(797,350)	(230,385)
22	A.20-03-001 Interim Rates Memorandum Account	AL 362-W			6,723,064			(2,740,926)	3,982,138
23	Reservoir 216 Land Exchange Memorandum Account (AL 298-W)	D.12-04-009							-
24	Catastrophic Event Memorandum Account (CEMA)	AL 345-W							-
25	Per- and Polyfluoroalkyl Substances Memorandum Account (PFASMA)	AL 343-W-B							-
26	Sativa Transaction Cost Memorandum Account (STMA)	D.22-04-010							-
27	Military Family Relief Program (MFRP) Memo Account	D.03-06-072							-
28	Low Income Customer Data Sharing Memo Account	D.11-05-020							-
29	Affiliate Transfer Fee Memorandum Account	D.14-12-038							-
30	Water Contamination Litigation Memorandum Account	D.21-10-024							-
31	Income Tax Component of Contribution Provision	D.87-09-026							-
32	Environmental Improvements and Compliance Issues for Acquisitions Memo Acct (EICIAM)	D.22-04-010							-
33	Sativa Production Cost Balancing Account (SPCBA)	D.22-04-010							-

Note 1: For Columns d, e, f, g, & h, provide those amounts booked in the current year.

Note 2: The detail for each individual account includes the Beginning of Year Balance, End of Year Balance, each Offset Expense adjustment during the year, each Offset Revenue adjustment during the year, each Surcharge adjustment during the year, each Surcredit adjustment during the year, and the decision or resolution number associated with each item of detail.

Schedule E- 2
Description of Low-Income Rate Assistance Program(s)

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

SEE ATTACHED

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.
2. Participation rate for Year 2021 (as a percent of total customers served).
3. Detail of balancing or memorandum account authorized to record expenses incurred and revenues collected for low income rate assistance program.

Schedule E- 3
Description of Water Conservation Program(s)

For all water conservation programs offered by water utility, provide detailed responses to the following items:

SEE ATTACHED

1. Brief description of each water conservation program provided, by district. This description shall include but not be 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 customers) and length of time it was offered.
2. Discuss how each water conservation assistance program is funded, for example, through rates charged to all customers, rates charged to customer receiving water conservation assistance, shareholder contribution, community funding, government funding, or other funding method. Explain why this type of funding was used.
3. Cost of each program.
4. The degree of participation in each district by customer group.

SUBURBAN WATER SYSTEMS

Supplement to CPUC Annual Report

2022 Information-Only Filing

In Compliance With Commission Decisions 11-05-004 and 11-05-020

2022 ANNUAL REPORT SCHEDULE E-2

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.

Response:

Suburban implemented low-income rate assistance program on September 1, 2008 for its San Jose Hills and Whittier/La Mirada service areas. The monthly credit of \$8.32 applies to all residential metered water service, and the monthly credit of \$20.00 applies to all non-profit group living facilities, agricultural employee housing facilities, and migrant farm worker housing centers.

Beginning June 1, 2012, Suburban removed the limitation on residential meter size to qualify for the Low Income Assistance Program. To qualify for the credit, the residential customer:

- Must have the water utility bill for service in his or her name.
- Must not be claimed as a dependent on another person's tax return.
- Must re-apply each time you change your personal residence.
- Must renew his or her application every two years, or sooner, if requested.
- Must notify Suburban Water Systems within thirty days if he or she becomes ineligible for Suburban Water Systems' low income assistance program but continue to be a customer of Suburban Water Systems.
- Must provide verification of household income by providing a utility bill showing participation in a low income assistance program for electric or gas utility service or by completing Suburban' self verification form.

Gross annual household income must not exceed the maximum qualifying household income levels specified annually by the California Public Utilities Commission for the CARE program. Gross annual income means the gross income of all persons residing in the household, as further defined below. For Suburban Water Systems' low income assistance program, "gross annual household income" means all money and non-cash benefits available for living expenses, received from all sources, both taxable and non-taxable, before any tax deductions, by or for all persons residing in the household during the most recently ended calendar year.

The income Qualification guidelines (effective June 1, 2022 through May 31, 2023)

Total persons in household	Maximum total combined annual income
1-2	\$36,620
3	\$46,060
4	\$55,500
5	\$64,940
6	\$74,380
7	\$83,820
8	\$93,260

For each additional person, add \$9,440 to the total combined annual income.

In order to support the program, a surcharge of \$0.054 per 100 cubic feet is to be applied to the monthly bills of all metered customers, excluding those customers receiving a low-income rate assistance credit in San Jose Hills and Whittier/La Mirada service areas.

Pursuant to Decision (D.) 21-07-029, the frequency of low-income customer data exchange between water and energy utilities has been increased to quarterly which superseded the semi-annual data exchange per D.11-05-020.

On quarterly basis, Suburban shares Low-Income Customer Information with energy utilities (Southern CA Edison and Southern California Gas Company) to increase the participation rates in water low-income assistance program. The data matching process requires Suburban to identify customers' eligibility by mailing automatic enrollment and opt-out letters 30 days prior to enrollment to permit those customers to decline to be automatically enrolled.

2. Participation rate for Year 2022 (as a percent of total customers served).

Response:

At the end of 2022 the LIRA participation rate as a percentage of total residential customer 15.5%

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

Response:

	San Jose Hills Service Area			Whittier/La Mirada Service Area		
	Surcharge Collected	Benefit Profided	Over/(Under) Collection	Surcharge Collected	Benefit Profided	Over/(Under) Collection
<i>Beg. Bal.</i>	996,534	1,235,833	(239,299)	805,929	553,997	251,932
Jan-22	28,465	61,698	(33,233)	23,477	28,025	(4,548)
Feb-22	30,706	59,812	(29,106)	24,400	26,300	(1,900)
Mar-22	37,883	63,962	(26,079)	32,730	29,053	3,677
Apr-22	32,791	60,120	(27,329)	27,535	26,466	1,069
May-22	39,972	63,040	(23,068)	33,272	28,155	5,117
Jun-22	45,918	64,638	(18,720)	39,544	29,353	10,191
Jul-22	41,645	60,595	(18,950)	33,427	26,607	6,820
Aug-22	52,282	67,400	(15,118)	44,051	31,125	12,926
Sep-22	41,324	63,931	(22,607)	36,704	28,471	8,233
Oct-22	41,362	65,753	(24,391)	34,223	29,777	4,446
Nov-22	36,230	68,174	(31,944)	27,978	31,142	(3,164)
Dec-22	27,429	66,676	(39,247)	23,499	30,177	(6,678)
Total	1,452,541	2,001,632	(549,091)	1,186,769	898,648	288,121

2022 Low Income Rate Assistance Program Cost Details

<u>No.</u>	<u>Date</u>	<u>Vendor Name</u>	<u>Total By Month</u>	<u>Cummulative Total</u>
<i>Beginning Balance (as of 1/1/2022)</i>			\$17,691	\$17,691
1	3/31/2022	CMRS-PB (United States Postal Service)	\$298	\$17,989
2	6/30/2022	CMRS-PB (United States Postal Service)	\$299	\$18,288
3	9/30/2022	CMRS-PB (United States Postal Service)	\$321	\$18,609
			<u>\$18,609</u>	

**ATTACHMENT 1
2022 ANNUAL REPORT
DESCRIPTION OF WATER CONSERVATION PROGRAMS**

See SCHEDULE E-3

**ATTACHMENT 2
2022 INFORMATION-ONLY FILING
CONSERVATION DATA REPORT**

- 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 or bimonthly (depending on billing cycle) 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.

Response:

Suburban 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 Suburban's Draft 2020 Urban Water Management based on method 3 (Demonstrate reduction to 95 percent of the applicable State Hydrologic Region Target) for SJH Service Area; and method 1 (Demonstrate reduction to 80 percent of the base daily per capita water use) for WLM Service Area.

San Jose Hills Service Area = 142
Whittier/La Mirada Service Area = 151

- Average estimated monthly or bimonthly (depending on billing cycle) per customer or service connection consumption in one hundred cubic feet by ratemaking district, separated by customer class and meter size.

Response:

Average Monthly Residential Usage by Meter Size (ccf)						
5/8"x3/4"	3/4"	1"	1.5"	2"	3"	

San Jose Hills Service Area:

2022 Monthly Average	12.10	10.99	13.84	36.93	96.43	139.85
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Whittier/La Mirada Service Area:

2022 Monthly Average	10.57	11.49	16.70	43.09	75.48	156.71
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- 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 calculated by district and by customer class and meter size within each ratemaking district.

Response:

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 2022 annual average consumption by service area:

2022 Residential - by Meter Size						
5/8"x3/4"	3/4"	1"	1.5"	2"	3"	

San Jose Hills Service Area:

2022 Consumption (ccf)	334,150	4,497,854	1,224,132	204,299	128,440	16,782
2022 Avg. Connections	2,302	34,109	7,370	461	111	10
2022 Avg. Consumption (ccf)	145.16	131.87	166.10	443.16	1,157.12	1,678.20

Whittier/La Mirada Service Area:

2022 Consumption (ccf)	751,827	3,128,564	1,123,459	85,327	15,397	3,761
2022 Avg. Connections	5,929	22,695	5,607	165	17	2
2022 Avg. Consumption (ccf)	126.81	137.85	200.37	517.13	905.71	1,880.50

ATTACHMENT 2 (Continued)

4. For non-low income customers, the average estimated monthly/bimonthly (depending on billing cycle) consumption per tier or block separated by ratemaking district, by meter size, and by customer class, and the # of customers in each sub-grouping.
Response:

Customer Class Conservation: Residential

2022	Meter Size					
	5/8"x3/4"	3/4"	1"	1-1/2"	2"	3"
Average Estimated Monthly Consumption by tier						
<u>San Jose Hills Service Area:</u>						
Tariff Area 1 - Tier 1	12.54	11.09	10.13	34.49	100.25	-
Tariff Area 1 - Tier 2	9.18	9.72	15.19	45.48	-	-
Tariff Area 2 - Tier 1	13.07	11.32	14.83	39.85	75.97	148.50
Tariff Area 2 - Tier 2	9.48	10.26	18.92	74.81	223.02	-
Tariff Area 3 - Tier 1	-	9.59	14.61	31.04	161.19	99.58
Tariff Area 3 - Tier 2	-	10.57	13.36	40.44	196.97	-
<u>Whittier/La Mirada Service Area:</u>						
Tariff Area 1 - Tier 1	10.61	11.05	10.51	29.31	-	-
Tariff Area 1 - Tier 2	7.57	8.54	9.26	-	-	-
Tariff Area 2 - Tier 1	11.13	12.00	15.95	44.11	70.33	139.38
Tariff Area 2 - Tier 2	9.11	8.81	24.36	41.55	-	-
Tariff Area 3 - Tier 1	-	5.17	27.85	31.00	31.50	-
Tariff Area 3 - Tier 2	-	-	33.62	-	-	-
Number of Customers in each sub-grouping						
<u>San Jose Hills Service Area:</u>						
Tariff Area 1 - Tier 1	1,051	12,808	1,246	34	6	-
Tariff Area 1 - Tier 2	204	1,672	77	5	-	-
Tariff Area 2 - Tier 1	380	8,079	2,381	121	85	2
Tariff Area 2 - Tier 2	62	1,168	416	29	7	-
Tariff Area 3 - Tier 1	-	1,132	1,642	201	9	7
Tariff Area 3 - Tier 2	-	107	194	24	3	-
<u>Whittier/La Mirada Service Area:</u>						
Tariff Area 1 - Tier 1	1,035	723	244	3	-	-
Tariff Area 1 - Tier 2	107	82	9	-	-	-
Tariff Area 2 - Tier 1	3,485	16,129	4,037	136	16	2
Tariff Area 2 - Tier 2	435	2,271	648	20	-	-
Tariff Area 3 - Tier 1	-	1	59	1	1	-
Tariff Area 3 - Tier 2	-	-	22	-	-	-

5. Estimated monthly or bimonthly (depending on billing cycle) number of 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.

Response:

Estimated Monthly - Residential					
SJH Serv. Area			WLM Serv. Area		
Disconnect Notice	Disconnect for Non-Payment	Reconnect Notice	Disconnect Notice	Disconnect for Non-Payment	Reconnect Notice
321	85	85	208	63	63

6. Estimated monthly Best Management Practices compliance costs, by district, separated by customer class, coverage goals or flex track menu (by measure);.

Response:

Suburban does not separated costs by district nor by customer class, coverage goals, and measure.
 The monthly estimated Best Management Practices compliance costs approximately \$38,627.75

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.

Response:

None.

**ATTACHMENT 3
2022 INFORMATION-ONLY FILING
LOW-INCOME DATA REPORT**

1. Average estimated monthly or bimonthly (depending on billing cycle) per customer or service connection low-income customer consumption in one hundred cubic feet by ratemaking district, separated by meter size.

Response:

Average Monthly LIRA Residential Usage by Meter Size (ccf)									
SJH Service Area					WLM Service Area				
5/8"x3/4"	3/4"	1"	1.5"		5/8"x3/4"	3/4"	1"	1.5"	2"
11.98	11.06	13.05	29.66		10.47	11.02	14.34	30.32	116.25

2. Average estimated monthly or bimonthly (depending on billing cycle) 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.

Response:

RESIDENTIAL - LOW INCOME CUSTOMERS												
TARIFF AREA 1				TARIFF AREA 2					TARIFF AREA 3			
5/8"x3/4"	3/4"	1"	1.5"	5/8"x3/4"	3/4"	1"	1.5"	2"	5/8"x3/4"	3/4"	1"	1.5"

San Jose Hills Service Area

Tier 1 Average Consumption/Month (ccf):	12.35	11.46	10.99	7.58	12.70	11.41	13.77	26.89	-	-	10.66	13.98	32.39
Avg. # Customers:	369	5,207	368	3	150	2,560	576	16	-	-	300	345	25
Tier 2 Average Consumption/Month (ccf):	7.78	7.77	12.71	-	12.19	9.73	13.83	29.42	-	-	6.78	12.11	43.86
Avg. # Customers:	62	677	15	-	24	365	76	1	-	-	35	34	3

Whittier/La Mirada Service Area

Tier 1 Average Consumption/Month (ccf):	10.83	10.58	9.40	-	10.73	11.47	14.34	33.08	116.25	-	-	37.42	-
Avg. # Customers:	256	173	66	-	532	2,949	464	4	1	-	-	4	-
Tier 2 Average Consumption/Month (ccf):	6.86	7.92	17.75	-	7.81	7.52	17.64	-	-	-	-	36.33	-
Avg. # Customers:	21	14	1	-	58	352	50	-	-	-	-	3	-

3. Estimated monthly or bimonthly (depending on billing cycle) 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.

Response:

Estimated Monthly LIRA - Residential							
San Jose Hills Service Area				Whittier/La Mirada Service Area			
LIRA Participant	Disconnect Notice	Disconnect for Non-Payment	Reconnect Notice	LIRA Participant	Disconnect Notice	Disconnect for Non-Payment	Reconnect Notice
7,557	67	17	17	3,380	30	10	10

4. Average low-income customer household size and average estimated monthly or bimonthly (depending on billing cycle) consumption by ratemaking district for low-income households of 5 or more, and the number of customers in each subgrouping.

Response:

Not available, due to not all Low Income participants responded to this inquiry.

ATTACHMENT 3 (Continued)

5. Average water revenue adjustment mechanism/Modified Cost Balancing Accounts (WRAM/MCBA) surcharge(s) bill impact on participating low-income customers by ratemaking district. This bill impact should be compared with the same bill under the uniform/standard rate. The bill impact should separately identify bill components, including applicable rates, WRAM/MCBA surcharge(s), and low-income assistance program discount, calculated at average consumption for the typical meter size.

Response:

Suburban has not been authorized a MCBA or conventional decoupling WRAM.

6. Participating low-income customer inclusion in conservation programs offered by the water utility:

- a) describe the water conservation program by ratemaking district(s),

Response:

Please see Schedule E 3, number 1

- b) identify whether it is offered with a third party,

Response:

Yes, with partial funding from Metropolitan Water District.

- c) specify how low-income customers are targeted by or included in the program,

Response:

Participation was not limited to low-income customers of the offer.

- d) describe outreach efforts used to reach low-income program participants (application, re-certification, separate outreach),

Response:

Annually Suburban sends out its Low Income application to all customers, LIRA re-certification every two-years, LIRA applications were enclosed with Shut-Off Notice/ Disconnect Notice were offered to low-income customers, and data sharing with Southern California Edison and Southern California Gas Company at least three times per year.

- e) how long has the program been offered, and

Response:

14.3 years for LIRA discount, which qualified customer receives \$8.32 credit on their monthly water bill

- f) what criteria are used to establish the success of the program.

Response:

LIRA program applications are available in Suburban's service area offices, and during conservation events. Each year, all customers receive a bill insert that provides information and application regarding the LIRA program. Suburban also includes LIRA brochures with shut-off notices. Targeted programs to low-income customers include direct mailing of LIRA brochures, distributing flyers at public events, and sending out survey letters to all customers.

ATTACHMENT 3 (In Compliance With D.11-05-020)
2022 INFORMATION-ONLY FILING
LOW-INCOME DATA REPORT

1. For each data file received:

- a) Number of CARE customer records received.
- b) Number of CARE customers not matched to water utility records.
- c) Number of CARE customers successfully matched.

Response:

- a) 1,058,199
- b) 967,384
- c) 3,029

2. Enrollment Results:

- a) Number of CARE customers automatically enrolled.
- b) Number of customers re-certified for assistance.
- c) Number of CARE customers ineligible for enrollment due to metering conditions (as compared with water utility records).
- d) Number of customers opting-out.
- e) Number of potential customers identified and served with outreach material.

Response:

- a) 775
- b) Suburban does not maintain customers' re-certification for assistance from data sharing.
- c) Unknown
- d) None
- e) Suburban does not maintain potential customers identified and served with outreach material data.

3. Program Costs:

Itemized annual expenses specifically incurred for operating and administering the data sharing program, including:

- a) Personnel with number of hours allocated to particular data sharing tasks.
- b) Special equipment.
- c) Translation services.
- d) Printing, mailing and other costs.
- e) Specify if any costs are included in rates.
- f) Summary of annual low-income program discounts, surcharges, and itemized low-income program costs.
- g) Specify which costs are included in rates, if any.

Response:

- a) Suburban does not maintain records for the number of hours allocated to particular data sharing tasks
- b) None
- c) None
- d) The 2022 cost of postage was \$919
- e) None
- f) None
- g) None

Schedule E- 3

Description of Water Conservation Program(s)

For all water conservation programs offered by water utility, provide detailed responses to the following items:

Brief description of each water conservation program provided, by district. This description shall include but not be 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 customers) and length of time it was offered.

Program Type	Service Area Offered	Description	Duration
Irrigation Survey & Retrofit Program	San Jose Hills and Whittier/ La Mirada	Suburban contracted with EcoTech Services to provide 33 residential landscape surveys and provide Monterra Pointe HOA a survey and landscape retrofit.	12 months
Online Educational Videos	San Jose Hills and Whittier/ La Mirada	Suburban still has 5 How To videos posted on our website to support customers with How to Read their Meter, etc	12 months
Landscape and Drought Response Workshops	San Jose Hills and Whittier/ La Mirada	Four workshops were held to teach customers how to plan their landscaping, which plants to choose, and other things to consider such as spacing near/around structures.	8 months
Water Conservation Plays, Interactive Games and Coloring Books, and Instructional Lessons for teachers	San Jose Hills and Whittier/ La Mirada	Suburban contracted with the National Theatre for Children to provide a Water Conservation Play to 21 schools.	3 months
Customer Outreach and Educational Material (conservation kits, etc)	San Jose Hills and Whittier/ La Mirada	Suburban contracted to have multiple customer mailings sent to all customers listing our Stage 1 and Stage 2 drought requirements as well as conservation kits to support water conservation and efficiency. Additionally, Suburban sent WaterSmart letters to all customers to encourage them to conserve.	12 months

2. Discuss how each water conservation assistance program is funded, for example, through rates charged to all customers, rates charged to customer receiving water conservation assistance, shareholder contribution, community funding, government funding, or other funding method. Explain why this type of funding was used.

Response: Through rates charged to all customers as approved in our General Rate Case and receiving conservation rebates from Metropolitan Water District.

3. Cost of each program.

Program Type	Cost
Residential Irrigation Survey & Retrofit Program	\$244,201
Landscape, Drought Response, and Firescaping Workshops	\$9,243
Water Conservation Plays, Interactive Games and Coloring Books, and Instructional Lessons for teachers	\$30,000
Customer Outreach and Educational Material	\$180,089

4. The degree of participation in each district by customer group.

Program Type	Participation
Residential Irrigation Survey & Retrofit Program	SJH: Residential WLM: Residential
Online Educational Videos	SJH: Residential, Business, Industrial, Public Authorities, and Construction WLM: Residential, Business, Industrial, Public Authorities, and Construction
Landscape and Drought Response Workshops	SJH: Residential, Business, Industrial, Public Authorities, and Construction WLM: Residential, Business, Industrial, Public Authorities, and Construction
Water Conservation Plays, Interactive Games and Coloring Books, and Instructional Lessons for teachers	SJH: Residential WLM: Residential
Customer Outreach and Educational Material	SJH: Residential, Business, Industrial, Public Authorities, and Construction WLM: Residential, Business, Industrial, Public Authorities, and Construction

Schedule E-4 Report on Affiliate Transactions

Affiliate includes all related companies including but not limited to Parent, Affiliates, and Subsidiaries.

INSTRUCTIONS:

- * For those utilities with specifically authorized affiliate transaction rules, provide all information required by those rules.
- * For those utilities with no specifically authorized affiliate transaction rules, or those utilities whose authorized affiliate transaction rules do not provide the following information, provide the following:
 1. Summary of all transactions between regulated water utility and its affiliated companies for the previous calendar year. The summary shall include a description of each transaction and an accounting of all dollars associated with each transaction although each transaction need not be separately identified where multiple transactions occur in the same account. These transactions shall include:
 - (a) services provided by regulated water utility to any affiliated company; **See Attached**
 - (b) services provided by any affiliated company to regulated water utility; **See Attached**
 - (c) assets (both tangible and intangible) transferred from regulated water utility to any affiliated company; **N/A**
 - (d) assets (both tangible and intangible) transferred from any affiliated company to regulated water utility; **N/A**
 - (e) employees transferred from regulated water utility to any affiliated company; **See Attached**
 - (f) employees transferred from any affiliated company to regulated water utility; and **N/A**
 - (g) financing arrangements and transactions between regulated water utility and any affiliated company. **See Attached**

E-4 (a)

SERVICES PROVIDED BY THE UTILITY TO THE AFFILIATED COMPANIES

Affiliates Transaction Rules (ATRs) - Rules VI F (Pricing of Goods and Services)

Parent Company (1010)	36,688
Southeast Utilities (2000)	51,147
Texas Utilities (2000 & 3020)	51,558
Kiawah (2060)	1,886
Oregon Water Utilities (7000)	<u>246,298</u>
2022 ATR Employee Costs	<u><u>387,577</u></u>

E-4 (b)

SERVICES PROVIDED BY THE AFFILIATED COMPANIES TO THE UTILITY:

1.	Direct costs from non-parent company affiliates		
	IT and related costs		
2.	Direct costs from parent company		
	Direct Payments Made by (for) SWC:		
	IT Charges		0
	Audit Fees		185,000
	Legal Fees		0
	Bank Charges - Bank of America & PNC bank fees		55,886
	Insurance Charges: (General, Medical, Auto, Worker's Comp)		3,576,876
	Total Direct		3,817,762
3.	Indirect costs from parent company		
	Parent Company Allocation		7,051,163

E-4 (e)

EMPLOYEE TRANSFERRED FROM REGULATED WATER UTILITY TO ANY AFFILIATED COMPANY

Transferred from Suburban Water Systems to parent company - SWWC:

Joanne Elliott

2) Transferred from Suburban Water Systems to an affiliated utility company - Texas Utilities (TXU):

Gigie Baker

E-4 (g)

**THE FINANCING ARRANGEMENTS AND TRANSACTIONS BETWEEN
THE UTILITY AND THE AFFILIATED COMPANIES**

INTERCOMPANY LOANS

NONE

A portion of SWWC's Parent Company Rate Base is also allocated to Suburban. A summary of SWWC accounts affected by the allocated charges is as follows:

Description	Operating Expense	Rate Base
Intercompany Management Fees	\$7,051,163	
Rate Base Allocation to Suburban		\$ 3,052,075 ¹

During 2022, the allocation rate was based on the Commission's Decision No. D.21-10-024. The Suburban allocation rate was 42.5% of Parent Company rate base and expense for Parent Company business units which provides Corporate Support to Suburban.

¹ For the rolling twelve months ended December 31, 2022, SWWC's rate base allocation to Suburban is \$3,052,075

SCHEDULE E-5
FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) or Safe Drinking Water State Revolving Fund (SRF) loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent:

Name: NONE
 Address: _____
 Phone Number: _____
 Account Number: _____
 Date Hired: _____

2. Total surcharge collected from customers during the 12 month reporting period:

\$ _____

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
5/8 X 3/4 inch		
3/4 inch		
1 inch		
1 1/2 inch		
2 inch		
3 inch		
4 inch		
6 inch		
Number of Flat Rate Customers		
Total	-	

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ _____
Add: Surcharge collections	_____
Interest earned	_____
Other deposits	_____
Less: Loan payments	_____
Bank charges	_____
Other withdrawals	_____
Balance at end of year	\$ <u>_____</u>

4. Reason for other deposits/withdrawals

5. Total Accumulated Reserve: \$ _____

**SCHEDULE E-5
FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA (Continued)
Account 100.1 - Utility Plant in Service (funded by SDWBA/SRF)**

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	(Retirements) During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1		I. INTANGIBLE PLANT		NONE			
2	301	Organization					\$ -
3	302	Franchises and Consents					\$ -
4	303	Other Intangible Plant					\$ -
5		Total Intangible Plant	\$ -	\$ -	\$ -	\$ -	\$ -
6							
7		II. LANDED CAPITAL					
8	306	Land and Land Rights					\$ -
9							
10		III. SOURCE OF SUPPLY PLANT					
11	311	Structures and Improvements					\$ -
12	312	Collecting and Impounding Reservoirs					\$ -
13	313	Lake, River and Other Intakes					\$ -
14	314	Springs and Tunnels					\$ -
15	315	Wells					\$ -
16	316	Supply Mains					\$ -
17	317	Other Source of Supply Plant					\$ -
18		Total Source of Supply Plant	\$ -	\$ -	\$ -	\$ -	\$ -
19							
20		IV. PUMPING PLANT					
21	321	Structures and Improvements					\$ -
22	322	Boiler Plant Equipment					\$ -
23	323	Other Power Production Equipment					\$ -
24	324	Pumping Equipment					\$ -
25	325	Other Pumping Plant					\$ -
26		Total Pumping Plant	\$ -	\$ -	\$ -	\$ -	\$ -
27							
28		V. WATER TREATMENT PLANT					
29	331	Structures and Improvements					\$ -
30	332	Water Treatment Equipment					\$ -
31		Total Water Treatment Plant	\$ -	\$ -	\$ -	\$ -	\$ -
32							
33		VI. TRANSMISSION AND DIST. PLANT					
34	341	Structures and Improvements					\$ -
35	342	Reservoirs and Tanks					\$ -
36	343	Transmission and Distribution Mains					\$ -
37	344	Fire Mains					\$ -
38	345	Services					\$ -
39	346	Meters					\$ -
40	347	Meter Installations					\$ -
41	348	Hydrants					\$ -
42	349	Other Transmission and Distribution Plant					\$ -
43		Total Transmission and Distribution Plant	\$ -	\$ -	\$ -	\$ -	\$ -

**SCHEDULE E-5
FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA (Continued)
Account 100.1 - Utility Plant in Service (funded by SDWBA/SRF)**

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	(Retirements) During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
44		VII. GENERAL PLANT		NONE			
45	371	Structures and Improvements					\$ -
46	372	Office Furniture and Equipment					\$ -
47	373	Transportation Equipment					\$ -
48	374	Stores Equipment					\$ -
49	375	Laboratory Equipment					\$ -
50	376	Communication Equipment					\$ -
51	377	Power Operated Equipment					\$ -
52	378	Tools, Shop and Garage Equipment					\$ -
53	379	Other General Plant					\$ -
54		Total General Plant	\$ -	\$ -	\$ -	\$ -	\$ -
55							
56		VIII. UNDISTRIBUTED ITEMS					
57	390	Other Tangible Property					\$ -
58	391	Utility Plant Purchased					\$ -
59	392	Utility Plant Sold					\$ -
60		Total Undistributed Items	\$ -	\$ -	\$ -	\$ -	\$ -
61		Total Utility Plant in Service	\$ -	\$ -	\$ -	\$ -	\$ -

Account 101 - Recycled Water Utility Plant (funded by SDWBA/SRF)

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	(Retirements) During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1	393	Recycled Water Intangible Plant					\$ -
2	394	Recycled Water Land and Land Rights					\$ -
3	395	Recycled Water Depreciable Plant					\$ -
4		Total Recycled Water Utility Plant	\$ -	\$ -	\$ -	\$ -	\$ -

SCHEDULE E-6 FACILITIES FEES DATA

Please provide the following information relating to Facilities Fees for districts or subsidiaries servicing 2,000 or fewer connections for the calendar year. (Per D.91-04-068)

1. Trust Account Information:

Bank Name: NONE
 Address: _____
 Account Number: _____
 Date Opened: _____

2. Facilities Fees collected for new connections during the calendar year:

A. Commercial

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

B. Residential

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

3. Summary of the bank account activities showing:

	AMOUNT
Balance at beginning of year	\$ _____
Deposits during the year	\$ _____
Interest earned for calendar year	\$ _____
Withdrawals from this account	\$ _____
Balance at end of year	\$ _____ -

4. Reason or Purpose of Withdrawal from this bank account:

DECLARATION

(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)

I, the undersigned _____ Robert Kelly
Officer, Partner, or Owner (Please Print)

of _____ Suburban Water Systems
Name of Utility

under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period of January 1, 2022, through December 31, 2022.

Vice President Regulatory Affairs, SWS

Title (Please Print)

Bob Kelly

B10944569C39E5C93360C065816684668 Signature contractworks.

(626) 523-0001

Telephone Number

07/25/2023

Date

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Officers	13		

2022	Goal	Total	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
PHONE SYSTEM														
Total Calls Received		65,035	3,938	3,754	4,605	4,127	4,818	5,551	5,298	5,963	8,682	8,405	5,304	4,590
# Calls Answered in 30 Seconds		28,714	2824	2536	2879	2595	3183	2976	3020	2669	1869	1432	1510	1221
% Calls Answered in 30 Seconds	> of = 80%	44.2%	71.7%	67.6%	62.5%	62.9%	66.1%	53.6%	57.0%	44.8%	21.5%	17.0%	28.5%	26.6%
# Calls Abandoned		17,858	656	713	991	801	730	866	920	1,273	3,911	3,701	1,634	1,662
Abandonment Rate	< or = 5%	27.5%	16.7%	19.0%	21.5%	19.4%	15.2%	15.6%	17.4%	21.3%	45.0%	44.0%	30.8%	36.2%
BILLING														
Total Bills Scheduled to be Rendered		916,055	73,018	71,338	81,027	71,348	76,179	81,016	71,384	84,171	73,148	76,244	79,300	77,882
Total Bills Rendered		911,190	72,551	70,922	80,723	71,121	75,967	80,807	71,170	83,846	72,794	75,730	78,648	76,911
Bills Not Rendered in 7 Days (10 for Finals)		4,865	467	416	304	227	212	209	214	325	354	514	652	971
% Bills Rendered in 7 Days	> or = 99.0%	99.5%	99.4%	99.4%	99.6%	99.7%	99.7%	99.7%	99.7%	99.6%	99.5%	99.3%	99.2%	98.8%
Inaccurate Bills Rendered		225	2	33	12	28	8	31	5	22	8	11	45	20
% of Inaccurate Bills Rendered	< or = 3.00%	0.02%	0.00%	0.05%	0.01%	0.04%	0.01%	0.04%	0.01%	0.03%	0.01%	0.01%	0.06%	0.03%
PAYMENTS														
Total Payments Posted		809,123	69,450	61,961	70,945	62,652	71,414	64,837	63,558	74,205	65,603	71,445	66,679	66,374
Payment Posting Errors		0												
% of Payment Posting Errors	< or = 1.0%	0.00%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
METER READING														
Total Number of Meter Reads Scheduled		914,400	74,016	76,137	75,240	76,167	73,349	76,755	77,203	77,133	77,197	76,820	77,186	77,197
Total Scheduled Reads Not Read		425	5	27	56	60	38	9	25	95	31	6	42	31
% Meters Not Read	< or = 3.0%	0.05%	0.01%	0.04%	0.07%	0.08%	0.05%	0.01%	0.03%	0.12%	0.04%	0.01%	0.05%	0.04%
WORK ORDER COMPLETION														
Total Appointments Scheduled		-	-	-	-	-	-	-	-	-	-	-	-	-
# Scheduled Appointments Missed		-	-	-	-	-	-	-	-	-	-	-	-	-
% of Scheduled Appointments Missed	< or = 5.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Customer Requested Work Orders		10,420	778	748	854	802	792	920	936	1179	934	903	775	799
# of Customer Requested Work Orders Missed		0	0	0	0	0	0	0	0	0	0	0	0	0
% Customer Requested Work Orders Missed	< or = 5.0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CONSUMER AFFAIRS BRANCH (CAB) COMPLAINTS														
Total # of Connections		930,581	77,460	77,466	77,495	77,497	77,519	77,560	77,561	77,570	77,590	77,593	77,627	77,643
Total # of Customers		919,414	76,485	76,546	76,628	76,570	76,661	76,682	76,612	76,640	76,648	76,653	76,633	76,656
# of Complaints to Utility from CAB		13	1	1	0	1	1	0	1	0	4	1	3	0
% of Complaints to Utility from CAB	< or = 0.100%	0.001%	0.001%	0.001%	0.000%	0.001%	0.001%	0.000%	0.001%	0.000%	0.005%	0.001%	0.004%	0.000%

Supplement to 2022 Annual Report of Suburban Water Systems In Compliance With D.12-01-042

Affiliate Compliance Plan- Attachment 1

Rule IV.C. of the California Public Utilities Commission's (Commission's) *Modified Rules for Water and Sewer Utilities Regarding Affiliate Transactions and the Use of Regulated Assets for Non-Tariffed Utility Services*, contained in Appendix A of D.12-01-042, requires the utility to list all shared directors and officers between the utility and its affiliates in its annual report to the Commission.

Craig Gott, Carmelitha Bordelon, Tony Stevens, Alison Zimlich, Timothy Miller, and Joseph Park are shared officers and shared directors.

Rule VIII.C. of the California Public Utilities Commission's (Commission's) *Modified Rules for Water and Sewer Utilities Regarding Affiliate Transactions and the Use of Regulated Assets for Non-Tariffed Utility Services*, contained in Appendix A of D.12-01-042, requires the submission of a Compliance Plan.

Consistent with this rule, Suburban Water Systems (Suburban) has prepared and is herewith filing its Affiliate Compliance Plan with its 2022 annual report to the Commission.

Supplement to 2022 Annual Report of Suburban Water Systems In Compliance With D.12-01-042 (Continued)

Report on Non-Tariffed Products and Services (NTP&S) - Attachment 2

In compliance with Rule X.E. in Appendix A of Decision 12-01-042, Suburban Water Systems ("Suburban") provides the following information regarding its NTP&S activities.

1. A detailed description of each NTP&S activity;
 - a. Residential Houeline Program
Suburban offers a houseline maintenance plan called "LifeLine" which is designed to cover the repair or replacement of residential customers' outside water lines for a monthly fee of \$5.97 which is added to the customers' monthly bill. To be eligible for the Lifeline, the Lateral Line must be no greater than 1-1/2 inches in diameter.
 - b. Antenna Leases
Antenna leases allow cellular service providers to install their antennas on Suburban properties without interference to normal day-to-day operations.
Suburban has 3 antenna leases.
 - c. Recycled Water Operating Charges
Suburban receives monthly operating charges for the maintenance of recycled water system as defined in Section 2(i)(i) and 2(i)(ii) of Agreement for the Construction, Operation and Maintenance of a Recycled Water Distribution System by the Upper San Gabriel Valley Municipal Water District and Suburban Water Systems.
 - d. Sativa Operations and Maintenance Contract
Suburban receives monthly charges for the operations and maintenance service of the Sativa Water System which Suburban provides to the Coutny of Los Angeles as interim operations prior to final approval of the sale by the California Public Utilities Commission and pending the closing of the contemplated transactions.
2. Whether and why it is classified active or passive;
Residential Houeline Program is classified as an active NTP&S as designated in the category of Customer Ancillary Services.
Antenna Leases and Recycled Water Operating Charges are classified as passive NTP&S as designated in the category of Use of General Facilities and there is no incremental investment above \$125,000.
3. Gross revenue received;
Please see Attachment A.
4. Revenue allocated to ratepayers and to shareholders, as established in the company's current general rate case;
Please see Attachment B.

5. A complete identification of all regulated assets used in the transaction;
Assets used in NTP&S transactions represent excess capacity of Suburban, and cannot be separately identified.

6. A complete list of all employees (by position) that participated in providing the non-tariffed service, with amount of time spent on provision of the service;
Employees participating in NTP&S transactions and time spent on NTP&S transactions, other than overtime, cannot be separately identified.

7. If the NTP&S has been classified as active through advice letter submission, provide the number of the advice letter and the authorizing Resolution; and
N/A.

8. If the NTP&S did not require approval through advice letter, provide the date notice was given to the Commission.
N/A.

**SUBURBAN WATER SYSTEMS 2022-ATR
NTP&S ACTIVITIES**

**Attachment A
GROSS REVENUE RECEIVED**

	2022												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
GROSS NTP&S REVENUES													
Residential Houeline Program	60,802	60,818	61,220	60,562	60,928	61,207	61,197	61,110	61,089	61,439	61,716	62,842	734,930
Antenna-Lease	7,267	7,266	7,266	7,335	7,135	7,335	7,485	7,485	7,485	7,485	7,485	7,485	88,514
Recycled Water Operating Charges	1,668	1,668	1,668	1,668	1,668	1,668	1,668	1,668	1,668	1,667	1,667	1,667	20,013
Sativa O&M Contract	43,925	43,925	43,925	43,925	43,925	43,925	43,925	43,925	43,925	43,925	50,425	78,900	568,575
Total Gross NTP&S Revenues	113,662	113,677	114,079	113,490	113,656	114,135	114,275	114,188	114,167	114,516	121,293	150,894	1,412,032

**SUBURBAN WATER SYSTEMS
NTP&S ACTIVITIES**

**Attachment B
REVENUE ALLOCATED TO RATEPAYERS AND TO SHAREHOLDERS**

	2022												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
REVENUE ALLOCATED TO RATEPAYERS													
Residential Houeline Program	48,507	6,082	6,122	6,056	6,093	6,121	6,120	6,111	6,109	6,144	6,171	6,284	115,920
Antenna-Lease	7,267	2,180	2,180	2,201	2,141	2,201	2,246	2,245	2,245	2,245	2,245	2,245	31,641
Recycled Water Operating Charges	1,668	500	500	500	500	500	500	501	500	501	500	501	7,171
Sativa O&M Contract	43,925	4,392	4,392	4,392	4,392	4,392	4,393	4,393	4,393	4,393	5,043	7,890	96,390
Total Revenue Allocated to Ratepayers	101,367	13,154	13,194	13,149	13,126	13,214	13,259	13,250	13,247	13,283	13,959	16,920	251,122

REVENUE ALLOCATED TO SHAREHOLDERS

Residential Houeline Program	12,295	54,736	55,098	54,506	54,835	55,086	55,077	54,999	54,980	55,295	55,545	56,558	619,010
Antenna-Lease	0	5,086	5,086	5,134	4,994	5,134	5,239	5,240	5,240	5,240	5,240	5,240	56,873
Recycled Water Operating Charges	0	1,168	1,168	1,168	1,168	1,168	1,168	1,167	1,168	1,166	1,167	1,166	12,842
Sativa O&M Contract	0	39,533	39,533	39,533	39,533	39,533	39,532	39,532	39,532	39,532	45,382	71,010	472,185
Total Revenue Allocated to Shareholders	12,295	100,523	100,885	100,341	100,530	100,921	101,016	100,938	100,920	101,233	107,334	133,974	1,160,910

Suburban Water Systems
Affiliate Transaction Rules and
Non-Tariffed Products and Services Rules
Compliance Plan

Pursuant to Rules Adopted in D.10-10-019,
D.11-10-035 and as modified by D.12-01-042
By the California Public Utilities Commission

March 15, 2023
Amendment No. 8

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INTRODUCTION

In compliance with Rule VIII.C of the California Public Utilities Commission's ("CPUC" or "Commission") Rules for Water and Sewer Utilities Regarding Affiliate Transactions and the Use of Regulated Assets for Non-Tariffed Utility Services adopted in D.10-10-019, Suburban Water Systems ("Suburban") has prepared and files this 2011 Affiliate Rules Compliance Plan, Amendment 6 ("2011 Plan"), which reflects the current status of its efforts to comply with the Affiliate Transactions Rules ("Rules" or "ATRs").

Suburban submits the following Compliance Plan ("Plan") to comply with the Affiliate Transaction Rules ("Rules") for Class A and B Water Companies adopted by the CPUC in D.10-10-019. Suburban's Plan includes a variety of procedures and mechanisms for implementation and compliance with these Rules, which when taken as a whole, will provide a comprehensive approach to ATRs compliance. Although not specifically described in the Plan, all Rules will be implemented by means of a combination of one or more of the following:

- Development and distribution of written policies and procedures;
- Education, training for and communications to Suburban employees and its affiliates;
- Collection of companywide records for required reports and reviews;
- Monitoring affiliate transactions and overall compliance on a continuing basis; and
- Additional training and corrective actions as needed.

Suburban's Accounting Department will implement this Plan under the direction of the Accounting Manager who will have operational responsibility to ensure that Suburban complies with these Rules. The Accounting Department will be responsible for issuing periodic memoranda to its affiliates governed by these Rules. These memoranda outline the importance to Suburban of complying with these Rules and that it expects employees to comply with Company policies. Among the compliance tools that the Accounting Department will use are: employee education and training; a document that describes certain policies and procedures governing affiliate transactions and NTP&S activities; preparing compliance reports for the Division of Water & Audits, as prescribed; and ongoing internal reviews of compliance with these Rules.

In the following pages, each Rule is shown in **bold** type. Following each Rule, in normal type, is Suburban's Plan (where applicable).

Suburban will have in place or complete the following items that are deemed necessary to fully implement these Rules:

- (1) A written policy describing these Rules and the obligations under these Rules will be disseminated to employees of Suburban and its affiliates that are subject to these Rules;

- (2) Suburban employees providing permitted corporate support or shared services with access to non-public utility information shall be required to sign a statement that they are aware of, have read and will follow all written policies regarding limitations on the use of non-public utility information and that failure to observe these limitations in the future will result in subjecting them to corporate discipline policies;
- (3) All support personnel services rendered between Suburban and its affiliates will be direct charged or allocated in a manner consistent with these Rules;
- (4) Training regarding these Rules will be provided to the employees of Suburban and affected affiliates;
- (5) Suburban employees transferred to an affiliate will be required to conform to these Rules, especially those Rules limiting the use of utility information in an anti-competitive manner.

The undersigned verifies the adequacy of these specific mechanisms to ensure that the utility is not utilizing the parent company or any of its affiliates not covered by these Rules as a conduit to circumvent any of these Rules:

Craig Gott

FE161386726808B3BAA39C0FB6235BB0

contractworks.

Craig Gott, President

Affiliate Transaction Rules Applicable to Class A and B Water Utilities

RULE I. Jurisdiction and Applicability

I.A.

These Rules apply to all Class A and Class B California public utility water and sewer corporations or companies subject to regulation by the California Public Utilities Commission (Commission).

As a Class A water utility subject to Commission regulation, Suburban affirms that these Rules apply to it and its employees. Suburban maintains appropriate policies, procedures and mechanisms to ensure compliance with these Rules. Further, Suburban's training materials and resources reference the respective compliance requirements associated with each rule.

I.B.

These Rules apply to transactions between a Commission-regulated utility and another affiliated entity that is engaged in the provision of products that use water or sewer services or the provision of services that relate to the use of water or sewer services, including the utility's parent company, and to the utility's use of regulated assets for non-tariffed utility services, unless specifically modified or exempted by the Commission. Transactions between a Commission-regulated utility and an affiliated utility regulated by a state regulatory commission (whether the utility is located in California or elsewhere) are exempt from these Rules, except for provisions of Rule IV.B and Rule X.

Suburban affirms that these Rules apply to transactions with its covered affiliates, as defined in Rule 1.E. Suburban will maintain appropriate policies, procedures and mechanisms to ensure compliance with Rule I.B. Further, Suburban will maintain a list of covered affiliates subject to Rule 1.B, Attachment A, which reflects that Suburban currently has no affiliates subject to Rule 1.B.

I.C.

Utilities shall comply with all applicable State and Federal statutes, laws and administrative regulations to which they are subject.

Suburban affirms that it will comply with all applicable State and Federal statutes, laws and administrative regulations to which it is subject.

I.D.

Existing Commission rules for each utility and its parent company continue to apply except to the extent they conflict with these Rules. In such cases, these Rules supersede prior rules and guidelines, provided that nothing herein shall preclude (1) the Commission from adopting other utility-specific guidelines; or (2) a utility or its parent company from adopting other utility-specific guidelines, with advance Commission approval through Decision or Resolution. In the case of ambiguity regarding whether a conflict exists, there shall be a rebuttable presumption that these Rules apply.

The Rate Case Plan requirements adopted in D.04-06-018 (shown below) are not superseded by these Rules:

Transactions with Corporate Affiliates

Identify and explain all transactions with corporate affiliates involving utility employees or assets, or resulting in costs to be included in revenue requirement. Include all documentation, including a list of all such contracts, and accounting detail necessary to demonstrate that any services provided by utility officers or employees to corporate affiliates are reimbursed at fully allocated costs.

Unregulated Transactions

To the extent the utility uses assets or employees included in revenue requirement for unregulated activities, the utility shall identify, document, and account for all such activities, including all costs and resulting revenue, and provide a list of all contracts.

Decision 10-09-012 provided that the terms of a settlement in that proceeding were subject to the Commission adoption of water utility industry affiliate transaction rules. The approved settlement required that these Rules would supersede and wholly replace the interim affiliate transaction rules contained in that settlement.

I.E.

Where these Rules do not address an item currently addressed in a utility's existing rules imposed by this Commission, which govern that utility's transactions with its affiliate(s) or its use of regulated assets for non-tariffed utility services, the existing utility-specific rules continue to apply for that item only.

See response to I.D.

I.F.

These Rules do not preclude or stay any form of civil relief, or rights or defenses thereto, that may be available under state or federal law.

The Plan does not require a response to this Rule.

I.G.

A California utility that is also a multi-state utility and subject to the jurisdiction of other state regulatory commissions, may file an application with this Commission, served on all parties to this proceeding and its most recent general rate case, requesting a limited exemption from these Rules or a part thereof, for transactions between the utility solely in its capacity serving its jurisdictional areas wholly outside of California, and its affiliates if such out-of-state operations do not substantially affect the utility's operations and the operating costs inside California. The applicant has the burden of proof.

Rule I.G does not apply to Suburban.

I.H.

A California utility's affiliates that operate entirely outside of California are exempt from Rule III.B and Rule III.C of these Rules, for transactions between the utility and such affiliates, if the affiliates' operations do not substantially affect the utility's operations and the operating costs inside California.

As of December 31, 2022, the following affiliates of Suburban that operate outside of California are exempt from Rules III.B and III.C:

1. 1710 WOODCREEK FARMS, INC.
2. ALABAMA UTILITY SYSTEMS, INC.
3. ALABAMA WATER UTILITIES, INC.
4. CUC HOLDING COMPANY, INC.
5. FLORIDA UTILITY SYSTEMS, INC.
6. FRENCH SETTLEMENT WATER COMPANY, INC.
7. FWU ENVIRONMENTAL SERVICES, INC.
8. KIAWAH ISLAND UTILITY, INC.
9. LOUISIANA WATER UTILITIES, INC.
10. METRO WATER SYSTEMS, INC.
11. MIDWAY WATER UTILITIES, INC.
12. MONARCH UTILITIES, INC.
13. NEW MEXICO UTILITIES, INC.
14. NI AMERICA OPERATING, INC.
15. NI FLORIDA, INC.
16. NI SOUTH CAROLINA, INC.
17. NI SOUTH CAROLINA UTILITIES, INC.
18. NORTHWEST UTILITY SYSTEMS, INC.
19. OREGON WATER UTILITIES, INC.
20. OREGON WATER UTILITIES CLINE BUTTE, INC.
21. OREGON WATER UTILITIES MOUNTAIN LAKES, INC.
22. SCWU ENVIRONMENTAL SERVICES, INC.
23. SHELBY RIDGE UTILITY SYSTEMS LLC
24. SOUTH CAROLINA UTILITY SYSTEMS, INC.
25. SOUTH CAROLINA WATER UTILITIES – CUC, INC.
26. SOUTH CAROLINA WATER UTILITIES – PUI, INC.
27. SOUTH CAROLINA WATER UTILITIES – PWR, INC.
28. SOUTH CAROLINA WATER UTILITIES, INC.
29. SOUTHEAST UTILITY SYSTEMS, INC.
30. SOUTHWEST WATER COMPANY
31. SW MERGER ACQUISITION CORP.

32. SWWC SERVICES, INC.
33. SWWC UTILITIES, INC.
34. TEXAS WATER SERVICES GROUP, LLC
35. TEXAS WATER UTILITIES, L.P.

I.I.

These Rules shall be interpreted broadly, to effectuate the Commission’s stated objectives of protecting consumer and ratepayer interests and, as an element thereof, preventing anti-competitive conduct.

Suburban affirms that its compliance policies, procedures and mechanisms will be guided by our understanding of the Rules, factoring in the concept embodied by this Rule.

RULE II. Definitions

II.A. “Parent company” or “parent”

“Parent company” or “parent” is the entity, including a holding company or corporation, that owns, or has substantial operational control (as defined in Rule II.E) of, the regulated utility.

II.B. “Utility”

“Utility” (unless specified as a water utility) refers to all water utilities and sewer utilities regulated by the Commission.

II.C. “Water utility”

“Water utility” refers to all water utilities regulated by the Commission.

II.D. “Sewer utility”

“Sewer utility” refers to all sewer utilities regulated by the Commission.

II.E. “Affiliate”

“Affiliate” means any entity whose outstanding voting securities are more than 10 percent owned, controlled, directly or indirectly, by a utility, by its parent company, or by any subsidiary of either that exerts substantial operational control.

For purposes of these Rules, “substantial operational control” includes, but is not limited to, the possession, directly or indirectly of the authority to direct or cause the direction of the management or policies of a company. A direct or indirect voting interest of more than 10 percent by the utility in an entity’s company creates a rebuttable presumption of substantial operational control.

For purposes of these Rules “affiliate” includes the utility’s parent company, or any company that directly or indirectly owns, controls, or holds the power to vote more than 10 percent of the outstanding voting securities of a utility or its parent company.

Regulated subsidiaries of a utility, the revenues and expenses of which are subject to regulation by the Commission and are included by the Commission in establishing rates for the utility, are not included within the definition of affiliate for the purpose of these Rules. However, these Rules apply to all interactions any such regulated subsidiary has with other

affiliated unregulated entities covered by these Rules.

For the purpose of this Rule, “affiliate” shall not include a mutual water company, a joint powers authority, other governmental or quasi-governmental agency or authority, a public/private partnership, a watermaster board, a water basin association, or a groundwater management authority in which a utility participates or in which a utility is a member or shareholder.

II.F. “Costs”

“Costs” are used in these Rules to refer to the total expenses assigned or allocated to different projects or activities through the utility’s and parent company’s accounting systems. Cost categories include:

1. ***Direct Costs.*** Direct costs are costs that can be clearly identified to specific projects or activities because the resource in question, or some measurable portion of that resource, has been dedicated to the project or activity. An example would be the hours of a worker’s time spent on the effort, materials purchased and used specifically on that effort, or the proportion of a machine’s hours dedicated to the effort.
2. ***Direct Overhead Costs.*** For organizations that produce multiple outputs, direct overhead costs are the common costs of a subset of the organization, such as supervisors and support staff of a division not assigned or traceable to specific projects, or machinery shared among a subset of the company’s projects. Such overhead costs require allocation to specific projects through proxies and methodologies designed to accurately reflect the particular production aspects of each project; e.g., some processes are more capital-intensive than others and need less supervision input. Allocation methodologies for direct overhead costs can make use of several factors, often activity-based and often using “cost causation” as one of the principles in their design.
3. ***Indirect Overhead Costs.*** Indirect overhead costs are functions that affect the entire organization, such as the headquarters building, the Chief Executive Officer and Chief Financial Officer, General Counsel and associated legal support, personnel departments, security for this building or these offices, shareholder and public relations, insurance, depreciation, advertising, and similar functions. These are real costs of the organization and must be allocated to the ongoing projects and activities to determine the total cost of each. These are also sometimes called “General Overhead Costs.”
4. **Fully-loaded (also known as fully-allocated) costs.** Fully-loaded (or fully- allocated) costs refer to the total cost of a project or activity, which is the sum of Direct, Direct Overhead, and Indirect Overhead costs, as defined in Rule II.F.1, 2 and 3.

II.G. “Transaction”

“Transaction” means any transfer of an item of value such as a good, service, information or money between a utility and one or more of its affiliates.

II.H. “Property”

“Property” refers to any right or asset, tangible or intangible, to which an entity has legal or equitable title.

II.I. “Real Property”

“Real property” refers to any interest in real estate including leases, easements, and water rights.

II.J. “Customer”

“Customer” means any person, firm, association, corporation or governmental agency supplied or entitled to be supplied with water, wastewater, or sewer service for compensation by a utility.

II.K. “Customer information”

“Customer information” means non-public information and data specific to a utility customer which the utility acquired or developed in the course of its provision of utility services.

II.L. “Cross-subsidy”

“Cross-subsidy” means the unauthorized over-allocation of costs to captive ratepayers resulting in under-allocation of costs to a utility affiliate.

RULE III. Utility Operations and Service Quality

III.A.

A utility shall not allow transactions with affiliates to diminish Suburban staffing, resources, or activities in a manner that would result in degradation of the reliability, efficiency, adequacy, or cost of utility service or an adverse impact on customer service. Utility management attention shall not be diverted to such transactions in a way that would result in such degradation. The utility’s parent and affiliates shall not acquire utility assets at any price if such transfer of assets would impair the utility’s ability to fulfill its obligation to serve or to operate in a prudent and efficient manner.

Suburban will maintain a policy to ensure compliance with Rule III.A. Further, Suburban’s ongoing compliance with General Order (“GO”) 103-A precludes the possibility of degradation of the reliability, efficiency, adequacy, or cost of utility service (in particular, Section II of GO 103-A, Standards of Service, requires that “each utility shall operate its system so as to deliver reliable, high quality service to its customers at reasonable cost” and that “each water utility shall ensure that it complies with the [California Dept. of Public Health’s] permit requirements and all applicable drinking water regulations”). Further, Suburban’s compliance with Public Utilities Code Section 851 precludes the acquisition of utility assets in such a manner as to impair the utility’s ability to fulfill its obligation to serve or to operate in a prudent and efficient manner.

III.B

Except as otherwise provided by these Rules, a utility shall not

1. Provide leads to its affiliates;

Suburban affirms that it has a policy in place to comply with Rule III.B.1. Suburban employees

will not provide any leads to affiliates that fall under the applicability of this Rule. Those affiliates falling under the applicability of this Rule will be specifically identified to Suburban employees. Suburban will issue periodic communications to its employees and affiliates governed by these Rules directing them to comply with this Rule. Suburban will provide training, as necessary, to its employees.

Suburban's understanding is that the intent of this Rule is to ensure that the utility did not provide leads to unregulated affiliates providing products or services in a manner that unfairly disadvantaged the competitive marketplace. Therefore, a utility advising its parent that it had been contacted by a third party or of public information about water or sewer systems being available for purchase, leased or provision of services under operating contract would not be a violation of this Rule.

2. Solicit business on behalf of its affiliates;

Suburban affirms that it has a policy in place to comply with Rule III.B.2. Suburban employees will not solicit business on behalf of affiliates subject to this Rule, which will be specifically identified to Suburban employees. Suburban will issue periodic communications to its employees and affiliates governed by these Rules directing them to comply with this Rule. Suburban will provide training, as necessary, to its employees.

3. Acquire information on behalf of or to provide to its affiliates;

Suburban affirms that it has a policy in place to comply with Rule III.B.3, with the exception noted in Rule III.B.8 and subject to the response to Rule III.B.1, above. Suburban will issue periodic communications to its employees and affiliates governed by these Rules directing them to comply with this Rule. Suburban will provide training, as necessary, to its employees.

4. Share market analysis reports or any other types of proprietary or non-publicly available reports, including but not limited to market, forecast, planning or strategic reports, with its affiliates, except that a utility may share such information with a parent under the condition that the parent does not share the information with any other entity;

Suburban affirms that it has a policy in place to comply with Rule III.B.4, with the exceptions noted in Rule III.B.8 and subject to the response to Rule III.B.1, above. Suburban will provide training, as necessary, and issue periodic communications to its employees and affiliates governed by these Rules directing them to comply with this Rule.

Suburban interprets this Rule to exclude any information that an employee might otherwise legally disclose to others after termination of employment. Further, corporate governance and corporate support services covered by Rule V are expressly permitted.

5. Request authorization from its customers to pass on customer information exclusively to its affiliates;

Suburban affirms that it has a policy and a procedure in place to comply with Rule III.B.5. Under these procedures, information will be released to affiliates only with the specified customer's explicit written consent.

6. Give the appearance that the utility speaks on behalf of its affiliates; or

Suburban affirms that it has a policy in place to comply with Rule III.B.6. Suburban will provide training, as necessary, and issue periodic communications to its employees and affiliates governed

by these Rules directing them to comply with this Rule.

7. **Represent that, as a result of the affiliation with the utility, its affiliates or customers of its affiliates will receive any different treatment by the utility than the treatment the utility provides to other, unaffiliated companies or their customers.**

Suburban affirms that it has a policy in place to comply with Rule III.B.7. Suburban will provide training, as necessary, and issue periodic communications to its employees and affiliates governed by these Rules directing them to comply with this Rule.

8. **Provisions 3, 4 and 5 of Rule III.B shall not apply to utility affiliates that are non-profit and whose sole purpose is to serve the functions of regulated utilities, the parents of regulated utilities, governmental or non-profit entities, including non-profit affiliates of regulated utilities.**

Suburban acknowledges the exceptions provided for in Rule III.B.8.

9. **Utilities may file an Advice Letter seeking an exemption to Rule III.B.8 within ninety days of the effective date of the Commission decision adopting these rules, requesting that a non-profit affiliate subject to Rule III.B.8 be allowed to serve the functions of other affiliates, as long as those other affiliates provide no more than five per cent of the annual revenues of the non-profit affiliate.**

This Rule is not currently applicable to Suburban or its affiliates as none is a non-profit.

III.C.

Except as provided for elsewhere in these rules, if a utility provides customer or utility information, services, or unused capacity or supply to an affiliate, it must offer such customer or utility information, services, or unused capacity or supply to all similarly situated market participants in a non-discriminatory manner, which includes offering on a timely basis.

Suburban affirms that it has a policy in place to comply with Rule III.C. Suburban will issue a communication to its employees and to its affiliates governed by these Rules directing them to comply with Rule III.C. Further, if Suburban offers customer or utility information, services or unused capacity to an affiliate governed by these Rules, it will make such information available to all similarly situated market participants on Suburban's web site.

RULE IV. Separation

IV.A

The utility shall maintain accounting records in accordance with Generally Accepted Accounting Principles, the Commission's Uniform System of Accounts, Commission decisions and resolutions, and the Public Utilities Code.

Suburban affirms that its accounting records are available in accordance with Generally Accepted Accounting Principles, the Commission's Uniform System of Accounts, relevant Commission decisions and resolutions, and that its accounting records are available consistent with the provisions in Public Utility Code Sections 314 and 701. Utility accounting records are available for review upon Commission request. SouthWest Water Company financial statements and Suburban financial statements are audited for compliance by independent accountants on an

annual basis.

IV.B

The utility, its parent and other affiliated companies shall allocate common costs among them in such a manner that the ratepayers of the utility shall not subsidize any parent or other affiliate of the utility.

Suburban affirms that it has adequate policies, procedures and mechanisms to comply with Rule IV.B. In addition, the Public Advocates Office has the opportunity to review Suburban's allocation of common costs in each of Suburban's general rate cases.

IV.C

The utility shall list all shared directors and officers between the utility and its affiliates in its annual report to the Commission. Not later than 30 days following a change to this list, the utility shall notify the Director of the Division of Water and Audits and the Director of the Division of Ratepayer Advocates of the change(s).

Suburban affirms that it has adequate policies, procedures and mechanisms to comply with Rule. Suburban will provide a list of all shared directors and officers between the utility and its affiliates in its Annual Report to the Commission and provide the required notification to the Director of the Division of Water and Audits and the Director of the Public Advocates Office no later than 30 days following a change.

IV.D

Employees transferred or temporarily assigned from the utility to an affiliate shall not use non-public, proprietary utility information gained from the utility in a discriminatory or exclusive fashion to the benefit of the affiliate to the detriment of unaffiliated competitors.

Suburban has a policy in place to comply with Rule IV.D. Suburban will provide training to employees transferred or temporarily assigned to affiliates that fall under the applicability of this Rule, specifying that the employees shall not use non-public, proprietary utility information gained from the utility in a discriminatory or exclusive fashion to the benefit of the affiliate to the detriment of unaffiliated competitors.

IV.E

All employee movement between a utility and its affiliates, as defined in Rule I.B, shall be consistent with the following provisions:

Since intermittent use is covered by Rule IV.E.3, Suburban interprets Rules IV.E.1 and IV.E.2 below as being applicable to permanent movement only.

IV.E.1

A utility shall track and report to the Commission all employee movement between the utility and affiliates, consistent with Rule VIII.F.

Suburban affirms that it has adequate procedures to comply with Rule IV.E.1. Suburban will include this information in its Annual Report to the Commission.

IV.E.2

When an employee of a utility is transferred, assigned, or otherwise employed by the affiliate, the affiliate shall make a one-time payment to the utility in an amount equivalent to 15% of the employee's base annual compensation. All such fees paid to the utility shall be accounted for in a separate memorandum account to track them for future ratemaking treatment on an annual basis, or as otherwise necessary to ensure that the utility's ratepayers receive the fees. This transfer payment provision does not apply to clerical workers.

Suburban affirms that it has adequate procedures to comply with Rule IV.E.2. Suburban will include this information in its Annual Report to the Commission.

IV.E.3

Utility employees may be used on a temporary or intermittent basis (less than 30% of an employee's chargeable time in any calendar year) by affiliates only if:

- a. All such use is documented, priced and reported in accordance with these Rules and existing Commission reporting requirements, except that when the affiliate obtains the services of a non-executive employee, compensation to the utility shall be priced at a minimum of the greater of fully loaded cost plus 5% of direct labor cost, or fair market values. When the affiliate obtains the services of an executive employee, compensation to the utility shall be priced at a minimum of the greater of fully loaded cost plus 15% of direct labor cost, or fair market value;**
- b. Utility needs for utility employees always take priority over any affiliate requests;**
- c. No more than 10% of full time equivalent utility employees may be on loan at a given time;**
- d. Utility employees agree, in writing, that they will abide by these Rules; and**
- e. Affiliate use of utility employees shall be conducted pursuant to a written agreement approved by the appropriate utility and affiliate officers.**

Suburban affirms that it has adequate procedures to comply with Rule IV.E.3. Suburban will include this information in its Annual Report to the Commission.

RULE V. Shared Corporate Support

V.A.

A utility, its parent company, or a separate affiliate created solely to perform corporate support services may share with its affiliates joint corporate oversight, governance, support systems, and personnel as further specified in these Rules. Any shared support shall be priced, reported and conducted in accordance with these Rules as well as other applicable Commission pricing and reporting requirements.

Suburban affirms that it has adequate procedures and mechanisms to comply with Rule V.A. The relevant accounting procedures and mechanisms that impact the allocation of costs for the shared corporate services are consistent with Commission rate case decisions. The Public Advocates Office has the opportunity to review these accounting procedures and mechanisms in each general rate case proceeding.

V.B.

Corporate support shall not be shared in a manner that allows or provides a means for the transfer of confidential information from the utility to the affiliate, creates the opportunity for preferential treatment or unfair competitive advantage, leads to customer confusion, or creates significant opportunities for cross-subsidy of affiliates. The restriction on transfer of confidential information from the utility to the affiliate does not apply to corporate support, shared services and access to capital.

Suburban affirms that its policy is adequate to ensure that the provision of corporate support services will not provide a means for the transfer of confidential non-public utility information from the utility 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.

V.C.

Examples of services that may be shared include: corporate governance and oversight, payroll, taxes, shareholder services, insurance, financial reporting, financial planning and analysis, corporate accounting, corporate security, human resources (compensation, benefits, employment policies), employee records, regulatory affairs, lobbying, legal, pension management, engineering, water or sewage for resale, water storage capacity, and purchasing of water distribution systems.

Suburban affirms its understanding that the listed services are examples of services which can be rendered to or received from Suburban's unregulated affiliates.

V.D.

Examples of services that may not be shared include: hedging, financial derivatives, arbitrage services, and marketing.

Suburban affirms its policy is sufficient to ensure that the example services and similar services will not be shared with Suburban's unregulated affiliates, except in the instance of water or sewage for resale, which will be shared only as necessary to provide safe and adequate service.

**RULE VI. Pricing of Goods and Services between the Utility and Its Affiliate(s)
To the extent that these Rules do not prohibit the transfer of goods and services between a utility and its affiliates:**

Suburban interprets the services aspect of this Rule not to apply to Shared Corporate Services as there are separate Rules for that classification of service and the Public Advocates Office has the opportunity to review that allocation of costs during every general rate case. Suburban affirms that it has adequate procedures and mechanisms to record the cost of goods and services between the Utility and its affiliates consistent with the following Rules. The responses below are for information only as they highlight the areas of transactions that are applicable or not applicable currently between Suburban and its affiliates. Should any Rule become applicable, Suburban will comply with such Rule.

VI.A.

Transfers from the utility to its affiliates of goods and services offered by the utility on the open market will be priced at fair market value.

Not currently applicable.

VI.B

Transfers from an affiliate to the utility of goods and services offered by the affiliate on the open market shall be priced at no more than fair market value.

Not currently applicable.

VI.C.

For goods or services for which the price is regulated by a state agency, that price shall be deemed to be the fair market value, except that in cases where more than one state commission regulates the price of goods or services, this Commission's pricing provisions govern.

Not currently applicable.

VI.D.

Goods and services produced, purchased or developed to be offered on the open market by the utility shall be provided to the utility's affiliates and unaffiliated companies on a nondiscriminatory basis, except as otherwise required or permitted by these Rules or applicable law.

Not currently applicable.

VI.E.

Transfers from the utility to its affiliates of goods and services not produced, purchased or developed to be offered on the open market by the utility shall be priced at fully allocated cost plus 5% of direct labor cost.

Not currently applicable.

VI.F.

Transfers from an affiliate to the utility of goods and services not produced, purchased or developed to be offered on the open market by the affiliate shall be priced at the lower of fully loaded cost or fair market value.

Suburban affirms its policy is sufficient to ensure that transfers from an affiliate to the utility of goods and services not produced, purchased or developed to be offered on the open market by the affiliate shall be priced at the lower of fully loaded cost or fair market value.

VI.G.

The utility shall develop a verifiable and independent appraisal of fair market value for any goods or services that are transferred to any affiliated company at fair market value under these Rules. The Commission's staff shall have access to all supporting documents used in the development of the fair market value. If sufficient support for the appraisal of fair market value does not exist to the reasonable satisfaction of the Commission's staff, the utility shall hire an independent consultant acceptable to the Commission staff to reappraise the fair market value for these transactions.

Not currently applicable.

RULE VII. Financial Health of the Utility

VII.A.

The parent shall provide the utility with adequate capital to fulfill all of its service obligations prescribed by the Commission.

Suburban affirms that its parent's policies ensure that Suburban shall be provided with adequate capital to fulfill all of its service obligations prescribed by the Commission.

VII.B.

If the parent is publicly traded, the utility shall notify the Director of the Commission's Division of Water and Audits and the Director of the Division of Ratepayer Advocates in writing within 30 days of any downgrading to the bonds of the parent, another affiliate, and/or the utility, and shall include with such notice the complete report of the issuing bond rating agency.

SouthWest Water Company is not publicly traded, so this Rule is not applicable.

VII.C.

The creation of a new affiliate by the parent or another affiliate shall not adversely impact the utility's operations and provision of service.

Suburban will maintain a policy to ensure compliance with Rule VII.C. Further, Suburban's ongoing compliance with General Order 103-A precludes the possibility of degradation of the reliability, efficiency, adequacy, or cost of utility service (in particular, Section II of GO 103-A, Standards of Service, requires that each utility shall operate its system so as to deliver reliable, high quality service to its customers at reasonable cost and that each water utility shall ensure that it complies with the California Dept. of Public Health's permit requirements and all applicable drinking water regulations.)

VII.D.

Debt of the utility's parent or other affiliates shall not be issued or guaranteed or secured by the utility.

Suburban's parent maintains an appropriate policy to ensure compliance with Rule VII.D.

VII.E.

Financial Separation. Within three months of the effective date of the decision adopting these Rules, each utility with a parent company shall file a Tier III advice letter proposing provisions that are sufficient to prevent the utility from being pulled into the bankruptcy of its parent company. The process specified by the Advice Letter Filing shall include a verification that the provisions have been implemented and signed by the utility's senior management (e.g., the Chief Executive Officer, Chief Financial Officer, and General Counsel).

On March 31, 2011, Suburban filed Advice Letter 282-W proposing provisions sufficient to prevent Suburban from being pulled into the bankruptcy of its parent.

VII.F.

Rules VI, VII, VIII(B) and VIII(C) adopted in Decision 97-12-011 (applicable to California Water Service Company), and Rules 12, 13, 15 and 16 adopted in Decision 98-06-068 (applicable to Golden State Water Company), continue in effect for those companies only.

This Rule is not applicable to Suburban.

RULE VIII Regulatory Oversight

VIII.A

The officers and employees of the utility and its affiliated companies shall be available to appear and testify in any proceeding before the Commission involving the utility. If, in the proper exercise of the Commission staff's duties, the utility cannot supply appropriate personnel to address the staff's reasonable concerns, then the appropriate staff of the relevant utility affiliated companies including, if necessary, its parent company, shall be made available to the Commission staff.

Suburban affirms that it will make available the appropriate officers or employees necessary to testify in any proceeding before the Commission.

VIII.B

The utility and its affiliated companies shall provide the Commission, its staff, and its agents with access to the relevant books and records of such entities in connection with the exercise by the Commission of its regulatory responsibilities in examining any of the costs sought to be recovered by the utility in rate proceedings or in connection with a transaction or transactions between the utility and its affiliates. The utility shall continue to maintain its books and records in accordance with all Commission rules. The utility's books and records shall be maintained and housed available in California.

Suburban affirms that it will make available the relevant records that are germane to any of the costs sought to be recovered by the utility in rate proceedings or in connection with a transaction or transactions between Suburban and its affiliates. Suburban affirms that it will make available its books and records in accordance with all Commission rules. The utility affirms that its books and records will be available in California.

VIII.C.

Compliance Plans. Each utility shall include a compliance plan as part of its annual report, starting in 2011 with the 2010 annual report and biennially thereafter. The compliance plan shall include:

- 1. A list of all affiliates of the utility, as defined in Rule II.D, and for each affiliate a description of its purposes or activities, and whether the utility claims that Rule I.B makes any portion of these Rules applicable to the affiliate;**
- 2. A description of the procedures in place to assure compliance with these Rules; and**
- 3. A description of both the specific mechanisms and the procedures that the utility and parent company have in place to assure that the utility is not utilizing the parent company or any of its affiliates not covered by these Rules as a conduit to circumvent any of these Rules in any respect. The description shall address, but shall not be limited to (a) the dissemination of information transferred by the utility to an affiliate covered by these Rules, (2) the provision of services to its affiliates covered by these Rules or (c) the transfer of employees to its affiliates covered by these Rules in contravention of these Rules. A corporate officer from the utility and parent company shall verify the adequacy of these specific mechanisms and procedures to ensure that the utility is not utilizing the parent company or any of its affiliates not covered by these Rules as a conduit to circumvent any of these Rules.**

This filing constitutes the required Plan responsive to this Rule. Suburban affirms that it has a policy in place that will comply with the subsequent biennial update filing requirements of Rule VIII.C. The list of affiliates is provided in Attachment A (currently there are none), and the policies and procedures are provided in Attachment B.

VIII.D

New Affiliates. Upon the creation of a new affiliate, the utility shall immediately notify the Commission of its creation, as well as posting notice of this event on its web site. No later than 60 days after the creation of this affiliate, the utility shall file an information-only filing, as provided for in Rule 6.1 of General Order 96-B, with the Director of the Commission's Division of Water and Audits, with service on the Director of the Division of Ratepayer Advocates. The advice letter shall state the affiliate's purpose or activities and whether the utility claims these Rules applicable to the new affiliate, and shall include a demonstration to the Commission that there are adequate procedures in place that will assure compliance with these Rules. The advice letter may include a request, including supporting explanation, that the affiliate transaction rules not be applied to the new affiliate. If the utility requests that the affiliate transactions rules not be applied to the new affiliate, in lieu of an information-only filing, the utility shall file a Tier 2 advice letter making such a request, including an explanation of why these Rules should not apply to the new affiliate.

Suburban affirms that it has policies in place to conform to Rule VIII.D.

VIII.E

Independent Audits. Commencing in 2013, and biennially thereafter, the utility shall have an audit performed by independent auditors if the sum of all unregulated affiliates' revenue during the last two calendar years exceeds 5% of the total revenue of the utility and all of its affiliates during that period. The audits shall cover the last two calendar years which end on December 31, and shall verify that the utility is in compliance with these Rules. The utility shall submit the audit report to the Director of the Division of Water and Audits and the Director of the Division of Ratepayer Advocates no later than September 30 of the year in which the audit is performed. The Division of Water and Audits shall post the audit reports on the Commission's web site. The audits shall be at shareholder expense.

Suburban affirms that it has adequate procedures in place to comply with this Rule.

VIII.F.

Annual Affiliate Transaction Reports. Each year, by March 31, the utility shall submit a report to the Director of the Division of Water and Audits and the Director of the Division of Ratepayer Advocates that includes a summary of all transactions between the utility and its affiliated companies for the previous calendar year. The utility shall maintain such information on a monthly basis and make such information available to the Commission's staff upon request. The summary shall include a description of each transaction and an accounting of all costs associated with each transaction although each transaction need not be separately identified where multiple transactions occur in the same account (although supporting documentation for each individual transaction shall be made available to the Commission staff upon request). These transactions shall include the following:

1. Services provided by the utility to the affiliated companies;
2. Services provided by the affiliated companies to the utility;
3. Assets transferred from the utility to the affiliated companies;
4. Assets transferred from the affiliated companies to the utility;
5. Employees transferred from the utility to the affiliated companies;
6. Employees transferred from the affiliated companies to the utility;
7. The financing arrangements and transactions between the utility and the affiliated companies;
8. Services provided by and/or assets transferred from the parent holding company to affiliate company which may have germane utility regulations impacts; and
9. Services provided by and/or assets transferred from affiliated company to the parent holding company which may have germane utility regulation impacts.

Suburban interprets these requirements as applying to all services (excluding shared corporate services), assets or employee transfers and financing arrangements and transactions. Suburban affirms that it has adequate procedures in place to comply with Rule VIII.F.

RULE IX. Confidentiality

Any records or other information of a confidential nature furnished to the Commission pursuant to these Rules that are individually marked Confidential are not to be treated as public records and shall be treated in accordance with P. U. Code § 583 and the Commission's General Order 66-C, or their successors.

Suburban affirms that it has adequate procedures in place to comply with Rule IX.

RULE X. Provision of Non-tariffed Products and Services (NTP&S)

X.A

Except as provided for in these rules, new products and services shall be offered through affiliates.

Suburban affirms that it has adequate policies, procedures and mechanisms to comply with Rule X.A.

X.B.

A utility may only offer on the open market the following products and services:

- 1. Existing products and services offered by the utility pursuant to tariff;**
- 2. New products and services that are offered on a tariffed basis; and**
- 3. Products and services that are offered on a non-tariffed basis (NTP&S) and that meet the following conditions:**
 - a) The NTP&S utilizes a portion of the excess or unused capacity of a utility asset or resource;**
 - b) Such asset or resource has been acquired for the purpose of and is necessary and useful in providing tariffed utility services;**
 - c) The involved portion of such asset or resource may only be used to offer the product or service on a non-tariffed basis without adversely affecting the cost, quality or reliability of tariffed utility products and services;**
 - d) The products and services can be marketed with minimal or no incremental ratepayer capital, minimal or no new forms of liability or business risk being incurred by utility ratepayers, and no undue diversion of utility management attention; and**
 - e) The utility's offering of the NTP&S does not violate any California law, regulation, or Commission policy regarding anticompetitive practices.**

Suburban affirms that it has adequate policies, procedures and mechanisms to comply with Rule X.B.

X.C.

Revenues. Gross revenue from NTP&S projects shall be shared between the utility's shareholders and its ratepayers. In each general rate case, NPT&S revenues shall be determined and shared as follows:

- 1. Active NTP&S projects: 90% shareholder and 10% ratepayer.**
- 2. Passive NTP&S projects: 70% shareholder and 30% ratepayer.**
- 3. A utility shall classify all NTP&S as active or passive according to the table below. For a new NTP&S not listed in the table, which requires approval by the Commission by advice letter pursuant to Rule X.G, an "active" project requires a shareholder investment of at least \$125,000. Otherwise the new NTP&S shall be classified as passive. No costs recoverable through rates shall be counted toward the \$125,000 threshold.**
- 4. Revenues received that are specified in a contract as pass-through of costs, without any mark-up, shall be excluded when determining revenue sharing. If an advice letter is required pursuant to Rule X.G, the utility shall specify in the**

advice letter any items other than postage, power, taxes, and purchased water for which it proposes pass-through treatment and must obtain Commission approval for such treatment.

- 5. For those utilities with annual Other Operating Revenue (OOR) of \$100,000 or more, revenue sharing shall occur only for revenues in excess of that amount. All NTP&S revenue below that level shall accrue to the benefit of ratepayers.**
- 6. For those utilities with annual OOR below \$100,000, there shall be no sharing threshold, and ratepayers shall accrue all benefits for non-tariffed products and services.**

Suburban affirms that it has adequate policies, procedures and mechanisms to comply with Rule X.C. Suburban will share gross revenues from NTP&S projects as described above.

Furthermore, in each general rate case, the Public Advocates Office will have the opportunity to review the sharing of the gross revenues from NTP&S projects.

X.D.

Cost Allocation. All costs, direct and indirect, including all taxes, incurred due to NTP&S projects shall not be recovered through tariffed rates. These costs shall be tracked in separate accounts and any costs to be allocated between tariffed utility services and NTP&S shall be documented and justified in each utility's rate case. More specifically, all incremental investments, costs, and taxes due to non-tariffed utility products and services shall be absorbed by the utility shareholders, i.e., not recovered through tariffed rates.

Suburban affirms that it has adequate policies, procedures and mechanisms to comply with Rule X.D.

X.E.

Annual Report of NTP&S Projects. Each utility shall include information regarding its NTP&S projects in its Annual Reports, including but not be limited to the following:

- 1. A detailed description of each NTP&S activity;**
- 2. Whether and why it is classified active or passive;**
- 3. Gross revenue received;**
- 4. Revenue allocated to ratepayers and to shareholders, as established in the company's current general rate case;**
- 5. A complete identification of all regulated assets used in the transaction;**
- 6. A complete list of all employees (by position) that participated in providing the non-tariffed service, with amount of time spent on provision of the service;**
- 7. If the NTP&S has been classified as active through advice letter submission, provide the number of the advice letter and the authorizing Resolution; and**
- 8. If the NTP&S did not require approval through advice letter, provide the date notice was given to the Commission.**

Suburban affirms that it will comply with all provisions of Rule X.E. Suburban will file a Report on Non-Tariffed Products and Services annually with its Annual Report to the Commission, beginning on June 30, 2011.

X.F.

When a utility initiates the offering of NTP&S that are designated as active or passive in the table below, the utility shall provide notice of such activity by letter to the Director of the Division of Water and Audits and the Program Manager of the Division of Ratepayer

Advocates-Water Branch, within 30 days of instituting such activity.

When required, Suburban will provide notice of such activity by letter to the Director of the Division of Water and Audits and the Program Manager of the Public Advocates Office, within 30 days of instituting such activity.

X.G.

Provision of New NTP&S. Any water or sewer utility that proposes to engage in the provision of new NTP&S not included in the table below, using the excess capacity of assets or resources reflected in the utility's revenue requirement, and which are proposed to be classified as active as described herein, shall file a Tier 3 advice letter (see Resolution ALJ-202) with the Director of the Division of Water and Audits seeking Commission approval. The advice letter shall be served on the service list for Rulemaking 09-04-012 and the service list for the utility's current or most recent general rate case. The advice letter shall contain the following:

1. A full description of the proposed NTP&S, including, without limitation, the identity of parties served (if known), revenue and cost forecasts, and the term of any contract to be employed.
2. A description of the accounting method to be used to allocate the incremental costs between tariffed services and caused by the NTP&S.
3. Copies of all operative documents for the proposed service.
4. A detailed description of any items other than postage, power, taxes, and purchased water for which the utility proposes pass-through treatment for purposes of calculating revenue sharing.
5. Complete identification of all utility regulated assets and personnel resources that will be used in the proposed transaction. Identify the particular excess capacity (or capacities) asset or resource to be used to provide the NTP&S.
6. A complete list of all employees that will participate in providing the service, with an estimate of the amount of time each will spend.
7. A showing that the proposed NTP&S may be offered without adversely affecting the cost, quality, or reliability of the utility services.
8. A showing of how the NTP&S will be marketed with minimal or no incremental ratepayer capital, minimal or no new forms of liability or business risk, and no undue diversion of utility management attention.
9. A showing of how the NTP&S does not violate any law, regulation, or Commission policy regarding anti-competitive practices.
10. A justification for classifying the NTP&S as active. The utility shall demonstrate that there is or will be incremental shareholder investment above \$125,000.
11. A statement that all risks incurred through this proposed NTP&S project shall be borne by the utility's shareholders.
12. A description of the market served by the proposed NTP&S project, a list or description of the current incumbents in that market, and an analysis of how the utility's entry into the market will affect the market's competitiveness. Include in this analysis a description of how the utility will guard against using anti-competitive pricing in this market.
13. Any other information, opinions, or documentation that might be relevant to the Commission's consideration of the NTP&S.

When required, Suburban will file a Tier 3 advice letter containing the above information with the Director of the Division of Water and Audits seeking Commission approval. Suburban will serve the advice letter on the service list for Rulemaking 09-04-012 and the service list for Suburban's current or most recent general rate case.

Attachment A

Suburban Water Systems Affiliates

Subsidiary Name	Subsidiary's Line of Business	Primary Location of Subsidiary	Applicability of Rules
N/A	N/A	N/A	N/A

Attachment B

Suburban Water Systems Company

Affiliated Transaction Rules and Non-Tariffed Products and Services

Policies and Procedures

Policy on Compliance with ATR and NTP&S Rules

Suburban's policy is to comply with all applicable Rules established in the Decision. Suburban's management team has the overall responsibility to ensure that the Company complies with the Rules established in the Decision and those related rules that were not superseded by these Rules. Where interpretation of a Rule is required by Suburban's management team, it will do so in good faith and consistent with Rule I.I. which would require a broad interpretation and with the intent of meeting the objectives of protecting consumer and ratepayer interests and preventing anti-competitive conduct.

Policy on Utility Operations and Service Quality

It is Suburban's policy not to allow affiliate transactions to diminish staffing, resources, or activities in a manner that would result in degradation of the reliability, efficiency, adequacy, or cost of utility service or an adverse impact on customer service. Utility management attention shall not be diverted to such transactions in a way that would result in such degradation. Suburban shall not sell utility assets at any price if such transfer of assets would impair the utility's ability to fulfill its obligation to serve or to operate in a prudent and efficient manner."

It is Suburban's policy not to engage in anti-competitive behaviors. As such, employees are prohibited from the following activities:

1. Providing business leads to its unregulated affiliates;
2. Soliciting business on behalf of its unregulated affiliates;
3. Acquiring information on behalf of or to provide to its unregulated affiliates;
4. Sharing market analysis reports or any other types of proprietary or non-publicly available reports, including but not limited to market, forecast, planning or strategic reports, with its unregulated affiliates, except that Suburban may share such information with a parent under the condition that the parent does not share the information with any other entity;
5. Requesting authorization from its customers to pass on customer information exclusively to its unregulated affiliates;
6. Giving the appearance that the utility speaks on behalf of its affiliates; or
7. Representing that, as a result of the affiliation with the utility, its affiliates or customers of its affiliates will receive any different treatment by the utility than the treatment the utility provides to other, unaffiliated companies or their customers.

It is Suburban's policy that should it provide information, services or unused capacity to an unregulated affiliate that Suburban will provide similarly situated market participants with the same. This information will be posted on Suburban's internet site.

As of December 31, 2022, Suburban's unregulated affiliates are as follows:

1. 1710 WOODCREEK FARMS, INC.
2. ALABAMA UTILITY SYSTEMS, INC.
3. ALABAMA WATER UTILITIES, INC.
4. CUC HOLDING COMPANY, INC.
5. FLORIDA UTILITY SYSTEMS, INC.
6. FWU ENVIRONMENTAL SERVICES, INC.
7. LOUISIANA WATER UTILITIES, INC.
8. METRO WATER SYSTEMS, INC.
9. MONARCH UTILITIES, INC.
10. NEW MEXICO UTILITIES, INC.
11. NI AMERICA OPERATING, INC.
12. NI SOUTH CAROLINA, INC.
13. NI SOUTH CAROLINA UTILITIES, INC.
14. NORTHWEST UTILITY SYSTEMS, INC.
15. OREGON WATER UTILITIES, INC.
16. SCWU ENVIRONMENTAL SERVICES, INC.
17. SHELBY RIDGE UTILITY SYSTEMS LLC
18. SOUTH CAROLINA UTILITY SYSTEMS, INC.
19. SOUTHEAST UTILITY SYSTEMS, INC.
20. SOUTHWEST WATER COMPANY
21. SW MERGER ACQUISITION CORP.
22. SWWC SERVICES, INC.
23. TEXAS WATER SERVICES GROUP, LLC

Policy on Separation

It is Suburban's policy to fairly allocate, pursuant to an established cost allocation manual, common costs amongst all affiliates benefitting from those common costs such that ratepayers of the utility are not subsidizing activities of the parent or another affiliate.

It is Suburban's policy that employees transferred or temporarily assigned from the utility to an affiliate shall not use non-public, proprietary utility information from the utility in a manner that would be detrimental to unaffiliated competitors.

Policy on Shared Corporate Services

It is Suburban's policy that the provision of shared corporate services will not provide a means to transfer confidential non-public utility information from the utility to an affiliate that would create the opportunity for preferential treatment or unfair competitive advantage for the utility's affiliate, lead to customer confusion or create significant opportunities for cross-subsidy of affiliates.

It is Suburban's policy that it will not provide to unregulated affiliates any of the following services:

1. Engineering
2. Hedging and financial derivatives
3. Arbitrage services

4. Water or sewage for resale, except as necessary to provide safe and adequate service.
5. Water storage capacity
6. Purchasing of water distribution services
7. Marketing

Policy on the Financial Health of the Utility

It is Suburban's policy that it will not allow the creation of a new affiliate to adversely impact Suburban's operation or provision of service.

It is Suburban's policy not to issue, guarantee or secure debt of Suburban's affiliates.

Policy on the Provision of Non-Tariffed Products and Services

It is Suburban's policy to only offer services consistent with those services provided for in this Decision. Consistent with the Commission Rules established in Decision 00.07.018, as subsequently amended.

Procedures on Related Rules Not Superseded by the Decision

These related rules pertain to filing of the general rate cases and debt financing. As these rules are an on-going requirement for Suburban, the existing procedures for filing of the general rate cases and debt financing applications do not require modification. Suburban's Accounting Department is directly responsible for compliance with these Rules.

Procedure on Utility Operations and Service Quality

1. Any request from an affiliate to Suburban for customer information must include the specified customer's explicit written consent. The written consent must include a release to provide the same information to any similarly situated market participant. The request must be made to Suburban's President. If the President deems the request to be approved by the customer, the information can be released. The written consent will be retained for three years by Suburban's Customer Service Manager for the applicable service area.
2. Provision of any of the following to an affiliate is to be approved in writing by Suburban's President:
 - a. Provision of customer information
 - b. Provision of utility services
 - c. Allowing use of unused capacity or supply

A copy of the written approval will be posted on Suburban's website so that similarly situated market participant can request similar treatment.

Procedures on Separation

1. Suburban has allocated common costs for more than 30 years. The accounting procedures used by Suburban have routinely been reviewed by the Public Advocates Office or its

predecessors in Suburban's general rate cases. No changes in those procedures are required to comply with the related rules of this Decision 10.10.019, D.11.10.035 and as modified by D.12.01.042.

2. Existing procedures and mechanisms provide direction and the means for employees to charge time between affiliates when appropriate. Mechanisms for allocating direct and indirect costs are routinely reviewed by the Public Advocates Office in every general rate case.
3. All permanent transfers of Suburban employees to an affiliate will be coordinated through SouthWest's Human Resources Department. The Human Resources Department will provide notification of the transfer, after it has been finalized and consummated, to the Manager of Accounting. The Manager of Accounting will coordinate the necessary recordation of any applicable fees in a separate Memorandum Account so that the ratepayers receive those fees in the next general rate case. In addition, SouthWest's Human Resource department will provide a copy of the Policy on Separation and will review it with the transferring employee and the hiring authority at the affiliate.
4. Each month, the Manager of Accounting will coordinate the preparation of a report showing the number of hours worked by an employee for an unregulated affiliate in accordance with Rule IV.E.3. All potential problems will be communicated to Suburban's President and Chief Financial Officer for resolution, if necessary.

Procedure for Shared Corporate Services

The accounting procedures that Suburban uses for shared corporate services have routinely been reviewed by the Public Advocates Office in its general rate cases. No changes in those procedures are required to comply with the related Rules of this Decision 10.10.019, D.11.10.035 and as modified by D.12.01.042.

Procedure for Pricing of Goods and Services between Suburban and Unregulated Affiliates

This procedure is not applicable to Suburban because Suburban does not transact with unregulated affiliates.

Procedure for Regulatory Oversight

1. SouthWest's Legal Department will advise Suburban's Manager of Regulatory Affairs within 14 days of establishing a new affiliate. Suburban's Manager of Regulatory Affairs will provide this information to Suburban's Vice President of Regulatory Affairs, and will file the necessary information only filing with the Commission within the 60 day requirement.
2. Biennially, Suburban's Manager of Accounting will make the necessary calculation to determine if an independent audit is required. This calculation will be provided to Suburban's Chief Financial Officer by March 31st. If an audit is required, the Chief Financial Officer will direct the Manager of Regulatory Affairs to scope the audit and

engage an appropriate firm to perform such an audit. The audit results will be provided to the Commission by September 30th of the year in which the audit is performed.

3. Suburban's Manager of Regulatory Affairs will review annually the reporting requirements associated with the Annual Report to the Commission to ensure that the report is complete. This includes the biennial requirement to update this Plan.
4. The existing accounting system has sufficient capability to track the requirements of the Annual Affiliate Transaction Reports. Suburban's Manager of Accounting will coordinate the preparation of this report and submit it as required by Rule VIII.F.

Procedure on Confidentiality

All individuals responsible for submitting reports to the Commission or members of the Commission's staff will determine if any portion of the information is deemed to be confidential. If so, it will mark the filing as Confidential in the manner required by the Commission.

Procedures on Provision of Non-tariffed Products and Services

The Rules in this Decision made minimal change to the rules adopted in D.00-07-018. Suburban has reviewed its existing procedure from D.00-07-018 and no changes are deemed necessary to comply with the requirements of the Decision. The procedure covers gross revenue sharing, classification of products and services, reporting requirements, accounting treatment and the process of dealing with proposed new products or services Suburban may consider providing. Prior to the provision of any new services, the individual advocating that Suburban undertake this endeavor is required to convene a meeting where the Commission Rules are discussed, and if appropriate, the Company would request approval of the Commission prior to engaging in that service.

Procedure for Seeking an Interpretation of the Commission Rules

Any individual who is responsible for complying with the Rules of this Decision or engaged in any activity that is subject to these Rules and who has a question about the Rules, shall email a request for interpretation to the Chief Financial Officer and Manager of Accounting. The request should include a brief explanation of the question or concern and indicate when they need a response. The Chief Financial Officer and/or Manager of Accounting will respond in writing.