

Motion to Accept Corrected Attachments

August 11, 2014

ATTACHMENT 1 – CORRECTED TABLES

APPENDIX A
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CALIFORNIA WATER SERVICE COMPANY
GENERAL OFFICE

(DOLLARS IN THOUSANDS)

ADOPTED QUANTITIES	FOUR-FACTOR PERCENTAGE	2014 ADOPTED GO EXPENSES EXCLUDING DEPRECIATION	2014 ADOPTED GO DEPRECIATION	2014 ADOPTED GO EXPENSES INCLUDING DEPRECIATION	2014 ADOPTED GO RATE BASE	
TOTAL		\$ 67,529.3	\$ 6,497.3	\$ 74,026.6	\$ 57,443.7	
OUT OF STATE ALLOCATIONS		\$ (797.2)	\$ (76.7)	\$ (873.9)	\$ 727.5	
SYNERGY ADJUSTMENT		\$ (3,054.3)		\$ (3,054.3)		
ALLOCATED TO DISTRICT OPERATIONS	100.00	\$ 63,677.7	\$ 6,420.6	\$ 70,098.3	\$ 58,171.2	
DISTRICT						
BAKERSFIELD	15.32	\$ 10,223.4	\$ 983.6	\$ 11,207.0	\$ 8,911.8	
BAYSHORE	10.04	\$ 6,699.9	\$ 644.6	\$ 7,344.5	\$ 5,840.4	
BEAR GULCH	5.61	\$ 3,743.7	\$ 360.2	\$ 4,103.9	\$ 3,263.4	
CHICO	5.55	\$ 3,703.6	\$ 356.3	\$ 4,060.0	\$ 3,228.5	
DIXON	0.57	\$ 380.4	\$ 36.6	\$ 417.0	\$ 331.6	
EAST LOS ANGELES	6.18	\$ 4,124.0	\$ 396.8	\$ 4,520.8	\$ 3,595.0	
HERMOSA REDONDO	5.12	\$ 3,416.7	\$ 328.7	\$ 3,745.4	\$ 2,978.4	
KING CITY	0.64	\$ 427.1	\$ 41.1	\$ 468.2	\$ 372.3	
LIVERMORE	3.51	\$ 2,342.3	\$ 225.4	\$ 2,567.7	\$ 2,041.8	
LOS ALTOS	4.21	\$ 2,809.4	\$ 270.3	\$ 3,079.7	\$ 2,449.0	
MARYSVILLE	0.78	\$ 520.5	\$ 50.1	\$ 570.6	\$ 453.7	
OROVILLE	1.03	\$ 687.3	\$ 66.1	\$ 753.5	\$ 599.2	
PALOS VERDES	5.98	\$ 3,990.6	\$ 384.0	\$ 4,374.5	\$ 3,478.6	
SALINAS	6.06	\$ 4,044.0	\$ 389.1	\$ 4,433.1	\$ 3,525.2	
SELMA	1.17	\$ 780.8	\$ 75.1	\$ 855.9	\$ 680.6	
STOCKTON	7.83	\$ 5,225.1	\$ 502.7	\$ 5,727.9	\$ 4,554.8	
VISALIA	6.97	\$ 4,651.2	\$ 447.5	\$ 5,098.7	\$ 4,054.5	
WESTLAKE	2.37	\$ 1,581.6	\$ 152.2	\$ 1,733.7	\$ 1,378.7	
WILLOWS	0.49	\$ 327.0	\$ 31.5	\$ 358.4	\$ 285.0	
ANTELOPE VALLEY	0.36	\$ 174.2	\$ 23.1	\$ 197.3	\$ 209.4	\$ (66.0)
DOMINGUEZ-SOUTH BAY	8.28	\$ 2,635.5	\$ 531.6	\$ 3,167.1	\$ 4,816.6	\$ (2,889.9)
KERN RIVER	1.24	\$ 729.1	\$ 79.6	\$ 808.7	\$ 721.3	\$ (98.4)
REDWOOD VALLEY- LUCERNE	0.43	\$ 286.9	\$ 27.6	\$ 314.6	\$ 250.1	
REDWOOD VALLEY- COAST SPRINGS	0.10	\$ 66.7	\$ 6.4	\$ 73.2	\$ 58.2	
REDWOOD VALLEY- UNIFIED	0.14	\$ 93.4	\$ 9.0	\$ 102.4	\$ 81.4	
GRAND OAKS (CLASS D)	0.02	\$ 13.3	\$ 1.3	\$ 14.6	\$ 11.6	

1/ ANTELOPE VALLEY EXPENSE ALLOCATION REDUCED TO REFLECT SYNERGY BENEFIT

2/ DOMINGUEZ-SOUTH BAY EXPENSE ALLOCATION REDUCED TO REFLECT SYNERGY BENEFIT

3/ KERN RIVER VALLEY EXPENSE ALLOCATION REDUCED TO REFLECT SYNERGY BENEFIT

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CALIFORNIA WATER SERVICE COMPANY
GENERAL OFFICEADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 92,851.3	\$ 103,878.6	\$ 114,906.0
WTD. AVG. DEPRECIATION RESERVE	\$ (26,334.2)	\$ (28,167.2)	\$ (30,000.3)
MATERIALS AND SUPPLIES	\$ 47.6	\$ 47.6	\$ 47.6
WORKING CASH - LEAD - LAG	\$ 202.5	\$ 202.5	\$ 202.5
WORKING CASH - W / H EMPLOYEES	\$ -	\$ -	\$ -
ADVANCES FOR CONSTRUCTION	\$ -	\$ -	\$ -
CONTRIBUTIONS	\$ -	\$ -	\$ -
AMORTIZATION OF INTANG.	\$ (322.6)	\$ (342.1)	\$ (361.5)
DEFERRED TAXES	\$ (8,447.0)	\$ (10,270.3)	\$ (12,093.6)
UNAMORT. I.T.C.	\$ (553.8)	\$ (314.6)	\$ (75.4)
PRORATED G.O. RATE BASE	\$ -	\$ -	\$ -
TAXES ON ADVANCES	\$ -	\$ -	\$ -
TAXES ON C.I.A.C.	\$ -	\$ -	\$ -
WTG. AVG. RATE BASE	\$ 57,443.7	\$ 65,034.5	\$ 72,625.3

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CALIFORNIA WATER SERVICE CO.
GENERAL OFFICE

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
General Office	00064294	Office - Replace SCADA Hardware and Software	\$ 5,104,536	2015	2012 GRC	\$ 991,250

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CALIFORNIA WATER SERVICE COMPANY
 GENERAL OFFICE
 GENERAL OPERATIONS
 OPERATIONS & MAINTENANCE EXPENSES
(DOLLARS IN THOUSANDS)

	<u>2014</u>	Allocated to Affiliates	Allocated to Districts
OPERATION EXPENSES			
PAYROLL	\$ 3,154.1	\$ 37.2	\$ 3,116.9
TRANSPORTATION	\$ 243.3	\$ 2.9	\$ 240.4
PURCHASED SERVICES			
SOURCE OF SUPPLY	\$ 1.1	\$ 0.0	\$ 1.1
PUMPING	\$ 15.3	\$ 0.2	\$ 15.1
WATER TREATMENT	\$ 405.2	\$ 4.8	\$ 400.4
T&D	\$ 157.3	\$ 1.9	\$ 155.4
CUSTOMER ACCTG	\$ 690.6	\$ 8.2	\$ 682.5
-CONSERVATION	\$ -	\$ -	\$ -
TOTAL	<u>\$ 4,666.9</u>	<u>\$ 55.1</u>	<u>\$ 4,611.8</u>
MAINTENANCE EXPENSES			
PAYROLL	\$ 315.5	\$ 3.7	\$ 311.8
TRANSPORTATION	\$ 32.1	\$ 0.4	\$ 31.8
STORES	\$ 0.1	\$ 0.0	\$ 0.1
PURCHASED SERVICES	\$ 64.9	\$ 0.8	\$ 64.1
TOTAL	<u>\$ 412.6</u>	<u>\$ 4.9</u>	<u>\$ 407.7</u>
TOTAL O&M EXPENSES			
PAYROLL	\$ 3,469.6	\$ 41.0	\$ 3,428.6
TRANSPORTATION	\$ 275.4	\$ 3.3	\$ 272.2
OTHER	\$ 1,334.5	\$ 15.8	\$ 1,318.7
TOTAL O&M EXPENSES	<u>\$ 5,079.5</u>	<u>\$ 60.0</u>	<u>\$ 5,019.5</u>

*EXCLUSIVE OF ADMINISTRATIVE AND GENERAL EXPENSES,
 MISCELLANEOUS EXPENSES, DEPRECIATION AND TAXES.

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GENERAL OFFICE

GENERAL OPERATIONS

ADMINISTRATIVE AND GENERAL EXPENSES & MISCELLANEOUS EXPENSES

(DOLLARS IN THOUSANDS)

	2014	Allocated to Affiliates	Allocated to Districts
A&G AND MISC. EXPENSES			
PAYROLL	\$ 18,201.1	\$ 214.8	\$ 17,986.3
TRANSPORTATION	\$ 421.4	\$ 5.0	\$ 416.4
EXP EXCL P/R & TRANS			
791 A&G SALARIES	\$ 1,067.4	\$ 12.6	\$ 1,054.8
792 OFFICE SUPPLIES	\$ 4,108.9	\$ 48.5	\$ 4,060.4
793 PROPERTY INSURANCE	\$ 297.9	\$ 3.5	\$ 294.4
794 INJURIES AND DAMAGES	\$ 3,306.0	\$ 39.0	\$ 3,267.0
795 PENSIONS AND BENEFITS	\$ 16,940.3	\$ 200.0	\$ 16,740.3
796 FRANCHISE REQUIREMENTS	\$ -	\$ -	\$ -
797 REGULATORY COM EXP	\$ 261.9	\$ 3.1	\$ 258.8
798 OUTSIDE SERVICES	\$ 6,044.0	\$ 71.3	\$ 5,972.6
799 MISC. GENERAL EXPENSES	\$ 2,432.6	\$ 28.7	\$ 2,403.9
805 MAINT OF GENERAL PLANT	\$ 245.7	\$ 2.9	\$ 242.8
811 RENT	\$ 161.6	\$ 1.9	\$ 159.7
812 ADMIN CHARGES	\$ (38.9)	\$ (0.5)	\$ (38.4)
504 AMORT OF LIMITED TERM INVEST	\$ 18.7	\$ 0.2	\$ 18.5
DUES AND DONATIONS ADJUST	\$ (149.1)	\$ (1.8)	\$ (147.3)
SYNERGY ADJUSTMENTS			
Cost of Financing	\$ (87.0)	\$ (1.0)	\$ (85.9)
10% excess of \$3M synergy savings	\$ (361.4)	\$ (4.3)	\$ (357.1)
TOTAL A&G EXPENSES	\$ 52,871.2	\$ 624.1	\$ 52,247.1

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CALIFORNIA WATER SERVICE COMPANY
GENERAL OFFICE

TAXES OTHER THAN INCOME
(DOLLARS IN THOUSANDS)

	2014	Allocated to Affiliates	Allocated to Districts
ASSET TAXES			
AD VALOREM	\$ 687.5	\$ 8.1	\$ 679.4
INCOME-RELATED TAXES			
BUSINESS LICENSE-PRESENT RATES	\$ 5.7	\$ 0.1	\$ 5.6
BUSINESS LICENSE-PROPOSED RATES	\$ 5.7	\$ 0.1	\$ 5.6
LOCAL FRANCHISE-PRESENT RATES	\$ -	\$ -	\$ -
LOCAL FRANCHISE-PROPOSED RATES	\$ -	\$ -	\$ -
EMPLOYER'S PORTION OF PAYROLL TAXES	\$ 2,388.1	\$ 28.2	\$ 2,359.9
<u>TOTAL TAXES OTHER THAN INCOME</u>			
PRESENT RATES:	\$ 3,081.3	\$ 36.4	\$ 3,045.0
PROPOSED RATES:	\$ 3,081.3	\$ 36.4	\$ 3,045.0

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CALIFORNIA WATER SERVICE COMPANY
GENERAL OFFICE

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

		NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.00000%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	100.00000%
	FRANCHISE TAX RATE	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%
	BUSINESS LICENSE RATE	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.00000%
6	1 - SUBTOTAL (100% - LINE 5)	100.00000%
7	CCFT (LINE 6 * 8.84%)	8.84000%
8	AMERICAN JOB CREATION ACT (N/A TO GO)	0.00000%
8	FIT (LINE 6 * 35 %)	31.90600%
9	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	40.74600%
10	NET AFTER TAXES (1 - LINE 9)	59.25400%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.68765

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.00000	0.46600
EQUITY	53.40%	With income Taxes	1.68765	0.90120
TOTAL	100.00%			1.36720

Adj. Net to
Gross

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CALIFORNIA WATER SERVICE CO.
ANTELOPE VALLEY DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT		PROPOSED		ESTIMATED		ESTIMATED	
	RATES		RATES		RATES		RATES	
	2014	2014	2014	2014	2015	2016	2015	2016
OPERATING REVENUES	\$ 1,694.9	\$ 2,332.1	\$ 2,416.4	\$ 2,500.8				
% Rate Increase		37.6%	3.6%	3.5%				
OPERATING EXPENSES								
PURCHASED WATER	\$ 30.2	\$ 30.2	\$ 30.3	\$ 30.3				
PUMP TAXES	\$ -	\$ -	\$ -	\$ -				
PURCHASED POWER	\$ 49.0	\$ 49.0	\$ 49.1	\$ 49.2				
PURCHASED CHEMICALS	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7				
PAYROLL -- DISTRICT	\$ 313.6	\$ 313.6	\$ 317.2	\$ 320.8				
UNCOLLECTIBLES	\$ 12.8	\$ 17.6	\$ 17.8	\$ 18.0				
CONSERVATION	\$ 20.5	\$ 20.5	\$ 20.5	\$ 20.5				
OTHER OPERATION AND MAINTENANCE	\$ 337.4	\$ 337.4	\$ 341.2	\$ 345.1				
BENEFITS	\$ 115.8	\$ 115.8	\$ 117.1	\$ 118.3				
OTHER ADMIN AND GEN. EXP.	\$ 24.9	\$ 24.9	\$ 25.2	\$ 25.5				
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 904.9	\$ 909.7	\$ 919.1	\$ 928.4				
TAXES OTHER THAN INCOME								
AD VALOREM TAXES	\$ 88.8	\$ 88.8	\$ 96.8	\$ 104.7				
BUSINESS LICENSE FEES	\$ -	\$ -	\$ -	\$ -				
LOCAL FRANCHISE TAXES	\$ 1.6	\$ 2.2	\$ 2.2	\$ 2.2				
PAYROLL TAXES	\$ 12.4	\$ 12.4	\$ 12.5	\$ 12.7				
TOTAL GENERAL TAXES	\$ 102.8	\$ 103.4	\$ 111.5	\$ 119.6				
DEPRECIATION	\$ 364.2	\$ 364.2	\$ 388.7	\$ 413.2				
G.O. PRORATED EXPENSES:								
PAYROLL AND BENEFITS	\$ 137.4	\$ 137.4	\$ 139.0	\$ 140.5				
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5				
PAYROLL TAXES	\$ 8.5	\$ 8.5	\$ 8.6	\$ 8.7				
OTHER PRORATED EXPENSES	\$ 25.9	\$ 25.9	\$ 26.2	\$ 26.5				
TOTAL G.O. PRORATED EXPENSES	\$ 174.3	\$ 174.3	\$ 176.2	\$ 178.2				
SUB -- TOTAL -- OPERATING EXPENSES	\$ 1,546.2	\$ 1,551.6	\$ 1,595.5	\$ 1,639.4				
TOTAL INCOME TAXES:	\$ (21.1)	\$ 228.5	\$ 245.1	\$ 261.8				
TOTAL OPERATING EXPENSES	\$ 1,525.1	\$ 1,780.1	\$ 1,840.7	\$ 1,901.2				
NET OPERATING REVENUE	\$ 169.8	\$ 552.0	\$ 575.8	\$ 599.6				
DEPRECIATED RATE BASE	\$ 6,951.0	\$ 6,951.0	\$ 7,251.3	\$ 7,551.6				
RATE OF RETURN	2.44%	7.94%	7.94%	7.94%				

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CALIFORNIA WATER SERVICE CO.
ANTELOPE VALLEY DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 11,089.2	\$ 11,578.4	\$ 12,067.7
WTD. AVG. DEPRECIATION RESERVE	\$ (3,287.0)	\$ (3,627.3)	\$ (3,967.5)
MATERIALS AND SUPPLIES	\$ 9.6	\$ 9.6	\$ 9.6
TANK PAINTING	\$ -	\$ 88.2	\$ 176.4
WORKING CASH - LEAD - LAG	\$ 91.5	\$ 95.7	\$ 99.8
WORKING CASH - W / H EMPLOYEES	\$ (0.6)	\$ (0.6)	\$ (0.6)
ADVANCES FOR CONSTRUCTION	\$ (313.1)	\$ (293.8)	\$ (274.4)
CONTRIBUTIONS	\$ (340.2)	\$ (333.4)	\$ (326.5)
AMORTIZATION OF INTANG.	\$ (23.8)	\$ (28.9)	\$ (34.0)
DEFERRED TAXES	\$ (504.9)	\$ (493.9)	\$ (482.8)
UNAMORT. I.T.C.	\$ (2.6)	\$ (2.0)	\$ (1.3)
PRORATED G.O. RATE BASE	\$ 204.2	\$ 231.2	\$ 258.2
TAXES ON ADVANCES	\$ 3.5	\$ 3.4	\$ 3.3
TAXES ON C.I.A.C.	\$ 25.2	\$ 24.5	\$ 23.8
WTG. AVG. RATE BASE	\$ 6,951.0	\$ 7,251.3	\$ 7,551.6
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 364.2	\$ 388.7	\$ 413.2
AD VALOREM TAXES	\$ 88.8	\$ 96.8	\$ 104.7
TOTAL INCOME TAXES AT AUTHORIZED RATE OF RETURN	\$ 228.5	\$ 245.1	\$ 261.8
NET OPERATING REVENUE	\$ 552.0	\$ 575.8	\$ 599.7

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CALIFORNIA WATER SERVICE CO.
ANTELOPE VALLEY DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Antelope Valley	00010391	AVEK System Interconnection - Lancaster	\$ 726,000	2014	2005 GRC	\$ 113,772
	00020701	150,000 Gallon Bolted Steel Tank - Sta. 4 - Lake Hughes - 250' 8" PVC	\$ 397,984	2014	2009 GRC	\$ 62,368
	00021110	Elizabeth Lake Road - Bay Trail A & B - 1,615' 6" PVC; 23 1" Services; 4 Hydrants	\$ 258,300	2014	2009 GRC	\$ 40,478
	00021119	1,500' 6" PVC; 10 1" Services; 4 Hydrants - Elizabeth Lake Road	\$ 218,900	2014	2009 GRC	\$ 34,304
	00063018	Pump Replacement - Sta. 01-01 Lancaster	\$ 162,000	2015	2012 GRC	\$ 25,387
	00066846	1500' 6"PVC; 20 Services; 4 Hydrants - Elizabeth Lake Road	\$ 285,600	2014	2012 GRC	\$ 44,756
	00079955	Cal Water RAMCAP Vulnerability Assessments	\$ 51,017	2015	2012 GRC	\$ 7,995
			<u>\$ 2,099,801</u>			<u>\$ 329,061</u>

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CALIFORNIA WATER SERVICE CO.
ANTELOPE VALLEY DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$ 1,694.9	\$ 2,332.1
EXPENSES		
PURCHASED WATER	\$ 30.2	\$ 30.2
PURCHASED POWER	\$ 49.0	\$ 49.0
PUMP TAXES	\$ -	\$ -
CHEMICALS	\$ 0.7	\$ 0.7
PAYROLL	\$ 313.6	\$ 313.6
OTHER O & M	\$ 357.8	\$ 357.8
OTHER A & G	\$ 140.7	\$ 140.7
G.O. PRORATIONS	\$ 151.2	\$ 151.2
PAYROLL TAXES	\$ 12.4	\$ 12.4
AD VALOREM TAXES	\$ 88.8	\$ 88.8
UNCOLLECTIBLES	\$ 12.8	\$ 17.6
FRANCHISE TAX & BUS LIC. FEES	\$ 1.6	\$ 2.2
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$ (0.8)	\$ (0.8)
INTEREST EXPENSE	\$ 199.2	\$ 199.2
TOTAL DEDUCTIONS	\$ 1,357.3	\$ 1,362.7
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$ 417.7	\$ 417.7
NET STATE TAXABLE INCOME	\$ (80.1)	\$ 551.6
STATE CORP. FRANCHISE TAX @ 8.84%	\$ (7.1)	\$ 48.8
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$ 386.1	\$ 386.1
STATE INCOME TAX	\$ (7.1)	\$ 48.8
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$ (1.5)	\$ 21.0
NET FEDERAL TAXABLE INCOME	\$ (40.0)	\$ 513.5
FEDERAL INCOME TAX @ 35.00%	\$ (14.0)	\$ 179.7
TOTAL FEDERAL INCOME TAX	\$ (14.0)	\$ 179.7
TOTAL INCOME TAXES	\$ (21.1)	\$ 228.5

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**CALIFORNIA WATER SERVICE CO.
ANTELOPE VALLEY DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	1,136	1,137
	3/4	40	40
	1	179	179
	1 1/2	4	4
	2	9	9
	3	0	0
	4	0	0
	6	0	0
	8	0	0
	10	0	0
	12	0	0
	14	0	0
TOTAL		1,368	1,369

Metered Sales, KCcf		
All Water	317.1	317.4

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	1,314	1,315	285.3	285.6	18.1	18.1
BUSINESS	35	35	17.7	17.7	42.1	42.1
MULTIPLE FAMILY	5	5	0.5	0.5	8.6	8.6
INDUSTRIAL	-	-	-	-	-	-
PUBLIC AUTHORITY	14	14	13.6	13.6	80.9	80.9
OTHER	-	-	-	-	-	-
IRRIGATION	-	-	-	-	-	-
RECLAIMED	-	-	-	-	-	-
SUBTOTAL	1,368	1,369	317.1	317.4		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	-	-				
PUBLIC FIRE PROT	-	-				
TOTAL	1,368	1,369	317.1	317.4		
Unaccounted-for water	5.54%		18.6	18.6		
Total Production			335.7	336.0		

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CALIFORNIA WATER SERVICE CO.
 ANTELOPE VALLEY DISTRICT

Adopted Quantities

2014 Test Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	9.9	0.9	0.1	0.0	0.5	0.0	11.4
February	10.1	1.0	0.0	0.0	0.5	0.0	11.6
March	9.2	0.9	0.1	0.0	0.6	0.0	10.7
April	15.0	1.0	0.0	0.0	0.6	0.0	16.6
May	22.5	1.5	0.1	0.0	1.0	0.0	25.1
June	30.3	1.8	0.0	0.0	1.2	0.0	33.3
July	39.4	2.3	0.1	0.0	1.8	0.0	43.7
August	39.4	2.0	0.0	0.0	1.8	0.0	43.2
September	41.6	2.1	0.1	0.0	2.5	0.0	46.4
October	31.6	1.7	0.0	0.0	1.6	0.0	35.0
November	22.0	1.4	0.1	0.0	1.1	0.0	24.6
December	14.3	0.9	0.0	0.0	0.4	0.0	15.7
	285.3	17.7	0.5	0.0	13.6	0.0	317.1

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**CALIFORNIA WATER SERVICE CO.
ANTELOPE VALLEY DISTRICT**

Adopted Quantities

2014 Test Year

Production	Company	Purchases		Purchased	Pump Taxes	Purchased
Month	Wells (Kccf)	(Kccf)	Total (Kccf)	Water (In	(In \$1,000)	Power (In
				\$1,000)	(In \$1,000)	\$1,000)
January	6.8	5.1	12.0	\$ 0.8	\$ -	\$ 1.7
February	6.4	2.8	9.3	\$ 0.5	\$ -	\$ 1.4
March	8.7	6.5	15.1	\$ 1.0	\$ -	\$ 2.2
April	10.7	9.8	20.5	\$ 1.6	\$ -	\$ 3.0
May	13.0	19.9	32.9	\$ 3.2	\$ -	\$ 4.8
June	15.5	27.7	43.2	\$ 4.4	\$ -	\$ 6.3
July	19.3	31.5	50.9	\$ 5.0	\$ -	\$ 7.4
August	20.2	32.3	52.5	\$ 5.1	\$ -	\$ 7.7
September	15.2	25.6	40.8	\$ 4.1	\$ -	\$ 6.0
October	12.8	14.4	27.2	\$ 2.3	\$ -	\$ 4.0
November	10.2	10.6	20.7	\$ 1.7	\$ -	\$ 3.0
December	6.7	3.9	10.6	\$ 0.6	\$ -	\$ 1.5
	<u>145.5</u>	<u>190.2</u>	<u>335.7</u>	<u>\$ 30.2</u>	<u>\$ -</u>	<u>\$ 49.0</u>

APPENDIX B**Page 8**

CALIFORNIA WATER SERVICE CO.
 ANTELOPE VALLEY DISTRICT
 Monthly Revenue Summary (in \$1,000)
 2014

TEST-YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 29.5	\$ 69.8	\$ 99.3
February	\$ 30.0	\$ 69.8	\$ 99.8
March	\$ 27.6	\$ 69.8	\$ 97.4
April	\$ 43.3	\$ 69.8	\$ 113.1
May	\$ 67.0	\$ 69.8	\$ 136.8
June	\$ 90.1	\$ 69.8	\$ 159.9
July	\$ 120.4	\$ 69.8	\$ 190.2
August	\$ 118.9	\$ 69.8	\$ 188.7
September	\$ 128.8	\$ 69.8	\$ 198.6
October	\$ 95.3	\$ 69.8	\$ 165.1
November	\$ 65.7	\$ 69.8	\$ 135.5
December	\$ 40.9	\$ 69.8	\$ 110.7
TOTAL	\$ 857.5	\$ 837.5	\$ 1,694.9

TEST-YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 68.9	\$ 88.8	\$ 157.7
February	\$ 40.0	\$ 88.8	\$ 128.8
March	\$ 56.9	\$ 88.8	\$ 145.6
April	\$ 51.0	\$ 88.8	\$ 139.8
May	\$ 90.5	\$ 86.9	\$ 177.3
June	\$ 121.7	\$ 88.8	\$ 210.5
July	\$ 181.5	\$ 88.8	\$ 270.3
August	\$ 144.3	\$ 88.8	\$ 233.1
September	\$ 216.5	\$ 88.8	\$ 305.3
October	\$ 114.4	\$ 88.8	\$ 203.2
November	\$ 114.4	\$ 88.8	\$ 203.2
December	\$ 68.5	\$ 88.8	\$ 157.3
TOTAL	\$ 1,268.7	\$ 1,063.4	\$ 2,332.1

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CALIFORNIA WATER SERVICE CO.
ANTELOPE VALLEY DISTRICT

Adopted Quantities

2014

PURCHASED POWER	
SUPPLIER - SCE	
Total Production (kccf)	335.7
Kwh / ccf	2,255.9
Total calculated KWH	757,279
Unit Cost per KWH	\$ 0.065
Power Cost	\$ 49,045.4
TOTAL PURCHASED POWER (in \$1,000)	\$ 49.0
PURCHASED WATER (CENTRAL & WEST BASIN W.D.)	
PURCHASED WATER PRODUCTION - KCCF	190.2
PURCHASED WATER PRODUCTION - ACRE FEET	82.9
QUANTITY RATE PER ACRE FEET	\$ 365.0
TOTAL PURCHASED WATER COST (in \$1,000)	\$ 30.2

APPENDIX B

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CALIFORNIA WATER SERVICE CO.
ANTELOPE VALLEY DISTRICT

Adopted Quantities

	<u>2014</u>
	(IN THOUSANDS)
CHEMICALS	
Total Production (kccf)	145.5
ADOPTED CHEMICAL DOLLARS (IN \$1,000)	\$ 0.685
ADOPTED \$ per KCCF	\$ 0.005
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$ -
TOTAL GROUNDWATER CHARGES	\$ -
ANNUAL WATERMASTER SERVICE	\$ -
TOTAL PUMP TAX EXPENSE	\$ -
UNCOLLECTIBLES RATE	0.75%
FRANCHISE TAX RATE	0.52%
BUSINESS LICENSE FEE	\$0.00
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.67413

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CALIFORNIA WATER SERVICE CO.
 ANTELOPE VALLEY DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

		NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.75494%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.24506%
	FRANCHISE TAX RATE	0.51532%
3	LOCAL FRANCHISE (% * LINE 2)	0.51143%
	BUSINESS LICENSE RATE	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	1.26637%
6	1 - SUBTOTAL (100% - LINE 5)	98.73363%
7	CCFT (LINE 6 * 8.84%)	8.72805%
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	3.51076%
9	FIT (LINE 6 * (35 % - [8.84% + 9%])	30.27319%
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	40.26761%
11	NET AFTER TAXES (1 - LINE 9)	59.73239%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.67413
		1.01283

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.01283	0.47198
EQUITY	53.40%	With income Taxes	1.67413	0.89399
TOTAL	100.00%			1.36596
		Adj. Net to Gross		

APPENDIX B**Page 12**

California Water Service Company
Antelope Valley Leona Valley Service Area Bill Comparison w/ Applicable RSF Discounts

Typical Monthly Residential Bill for Metered Customers for 2014

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 42.14	\$ 52.68	\$ 10.54	25.00%	(7)
5	\$ 58.28	\$ 75.28	\$ 17.00	29.16%	(7)
11	\$ 77.65	\$ 104.61	\$ 26.96	34.72%	(2)
15	\$ 91.99	\$ 125.59	\$ 33.60	36.52%	
16	\$ 95.58	\$ 130.83	\$ 35.26	36.89%	(3)
20	\$ 109.92	\$ 151.81	\$ 41.89	38.11%	
25	\$ 127.85	\$ 178.04	\$ 50.19	39.25%	
30	\$ 145.78	\$ 204.27	\$ 58.48	40.12%	
33	\$ 156.54	\$ 220.00	\$ 63.46	40.54%	(4)
35	\$ 163.72	\$ 230.49	\$ 66.78	40.79%	
40	\$ 181.65	\$ 256.72	\$ 75.07	41.33%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 3.2276	\$ 4.7208	\$ 1.49	46.26%	
Tier 2	\$ 3.5862	\$ 5.2453	\$ 1.66	46.26%	
Tier 3	\$ 4.3035	\$ 6.2944	\$ 1.99	46.26%	
Service Charge:	\$ 42.14	\$ 52.68	\$ 10.54	25.00%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 11 Ccf
- (3) Monthly average usage of 16 Ccf
- (4) Typical summer monthly average usage of 33 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills
- (7) Proposed bills reflect quantity rates having been reduced to \$4.52/Ccf (up to 10 Ccf) on account of RSF discc

APPENDIX B**Page 13**

California Water Service Company
Antelope Valley Lancaster Service Area Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 41.36	\$ 52.11	\$ 10.75	26.00%	
5	\$ 51.25	\$ 66.47	\$ 15.22	29.69%	
10	\$ 61.15	\$ 80.84	\$ 19.68	32.19%	
13	\$ 67.09	\$ 89.45	\$ 22.36	33.33%	(2)
20	\$ 81.84	\$ 110.86	\$ 29.02	35.46%	
24	\$ 90.35	\$ 123.22	\$ 32.86	36.37%	(3)
30	\$ 103.13	\$ 141.75	\$ 38.62	37.45%	
35	\$ 113.77	\$ 157.19	\$ 43.43	38.17%	
40	\$ 124.41	\$ 172.64	\$ 48.23	38.77%	
45	\$ 135.05	\$ 188.08	\$ 53.03	39.27%	
47	\$ 139.31	\$ 194.26	\$ 54.95	39.44%	(4)
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 1.9795	\$ 2.8727	\$ 0.89	45.12%	
Tier 2	\$ 2.1285	\$ 3.0889	\$ 0.96	45.12%	
Tier 3	\$ 2.5542	\$ 3.7067	\$ 1.15	45.12%	
Service Charge:	\$ 41.36	\$ 52.11	\$ 10.75	26.00%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 13 Ccf
- (3) Monthly average usage of 24 Ccf
- (4) Typical summer monthly average usage of 47 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX B**Page 14**

California Water Service Company
 Antelope Valley Fremont Valley Service Area Bill Comparison w/ Applicable RSF Discounts

Typical Monthly Residential Bill for Metered Customers for 2014

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 24.12	\$ 48.17	\$ 24.05	99.73%	(7)
5	\$ 43.95	\$ 70.77	\$ 26.82	61.03%	(2) (7) (8)
7	\$ 51.88	\$ 79.81	\$ 27.93	53.84%	(3) (7) (8)
9	\$ 59.81	\$ 88.85	\$ 29.04	48.55%	(4) (7) (8)
10	\$ 63.78	\$ 93.37	\$ 29.59	46.40%	(7) (8)
15	\$ 83.60	\$ 147.43	\$ 63.82	76.34%	(7)
20	\$ 103.43	\$ 180.51	\$ 77.08	74.52%	(7)
25	\$ 123.26	\$ 213.60	\$ 90.34	73.29%	(7)
30	\$ 143.09	\$ 246.68	\$ 103.59	72.40%	(7)
35	\$ 162.92	\$ 279.77	\$ 116.85	71.72%	(7)
40	\$ 182.75	\$ 312.86	\$ 130.11	71.19%	(7)
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 3.9658	\$ 6.6172	\$ 2.65	66.85%	
Tier 2	\$ 3.9658	\$ 6.6172	\$ 2.65	66.85%	
Tier 3	\$ 3.9658	\$ 6.6172	\$ 2.65	66.85%	
Service Charge:	\$ 36.22	\$ 48.17	\$ 11.95	33.00%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 5 Ccf
- (3) Monthly average usage of 7 Ccf
- (4) Typical summer monthly average usage of 9 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills
- (7) RSF discount (\$12.10/month) reflected in current bill amount
- (8) Proposed bills reflect quantity rates having been reduced to \$4.52/Ccf (up to 10 Ccf) on account of RSF discc

APPENDIX B**Page 15**

California Water Service Company

Antelope Valley Lake Hughes Service Area Bill Comparison w/ Applicable RSF Discounts

Typical Monthly Residential Bill for Metered Customers for 2014

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 36.22	\$ 48.17	\$ 11.95	33.00%	(7)
5	\$ 56.05	\$ 70.77	\$ 14.72	26.27%	(2) (7)
7	\$ 63.98	\$ 79.81	\$ 15.83	24.74%	(3) (7)
9	\$ 71.91	\$ 88.85	\$ 16.94	23.56%	(4) (7)
10	\$ 75.88	\$ 93.37	\$ 17.49	23.06%	(7)
15	\$ 95.70	\$ 147.43	\$ 51.72	54.04%	
20	\$ 115.53	\$ 180.51	\$ 64.98	56.24%	
25	\$ 135.36	\$ 213.60	\$ 78.24	57.80%	
30	\$ 155.19	\$ 246.68	\$ 91.49	58.95%	
35	\$ 175.02	\$ 279.77	\$ 104.75	59.85%	
40	\$ 194.85	\$ 312.86	\$ 118.01	60.56%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 3.9658	\$ 6.6172	\$ 2.65	66.85%	
Tier 2	\$ 3.9658	\$ 6.6172	\$ 2.65	66.85%	
Tier 3	\$ 3.9658	\$ 6.6172	\$ 2.65	66.85%	
Service Charge:	\$ 36.22	\$ 48.17	\$ 11.95	33.00%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 5 Ccf
- (3) Monthly average usage of 7 Ccf
- (4) Typical summer monthly average usage of 9 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills
- (7) Proposed bills reflect quantity rates having been reduced to \$4.52/Ccf (up to 10 Ccf) on account of RSF discc

APPENDIX C

Page 1

CALIFORNIA WATER SERVICE CO.
BAYSHORE DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT		PROPOSED		ESTIMATED		ESTIMATED	
	RATES		RATES		RATES		RATES	
	2014	2014	2015	2016	2015	2016	2015	2016
OPERATING REVENUES	\$ 61,273.4	\$ 62,989.3	\$ 64,014.3	\$ 65,038.5				
% Increase		2.8%	1.6%	1.6%				
OPERATING EXPENSES								
PURCHASED WATER	\$ 33,766.4	\$ 33,766.4	\$ 33,812.0	\$ 33,857.7				
GROUNDWATER EXTRACTION CHARGES	\$ -	\$ -	\$ -	\$ -				
PURCHASED POWER	\$ 833.9	\$ 833.9	\$ 835.0	\$ 836.2				
PURCHASED CHEMICALS	\$ 44.9	\$ 44.9	\$ 45.5	\$ 46.0				
PAYROLL -- DISTRICT	\$ 3,065.4	\$ 3,065.4	\$ 3,100.7	\$ 3,136.4				
UNCOLLECTIBLES	\$ 81.3	\$ 83.6	\$ 84.6	\$ 85.5				
CONSERVATION	\$ 1,035.2	\$ 1,035.2	\$ 1,035.2	\$ 1,035.2				
OTHER OPERATION AND MAINTENANCE	\$ 2,677.2	\$ 2,677.2	\$ 2,708.3	\$ 2,739.6				
BENEFITS	\$ 1,959.1	\$ 1,959.1	\$ 1,981.6	\$ 2,001.8				
OTHER ADMIN AND GEN. EXP.	\$ 157.1	\$ 157.1	\$ 158.9	\$ 160.8				
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 43,620.7	\$ 43,623.0	\$ 43,761.9	\$ 43,899.1				
TAXES OTHER THAN INCOME								
AD VALOREM TAXES	\$ 730.5	\$ 730.5	\$ 730.5	\$ 730.5				
BUSINESS LICENSE FEES	\$ -	\$ -	\$ -	\$ -				
LOCAL FRANCHISE TAXES	\$ -	\$ -	\$ -	\$ -				
PAYROLL TAXES	\$ 234.9	\$ 234.9	\$ 237.6	\$ 240.4				
TOTAL GENERAL TAXES	\$ 965.4	\$ 965.4	\$ 968.1	\$ 970.9				
DEPRECIATION	\$ 2,986.2	\$ 2,986.2	\$ 3,166.3	\$ 3,346.3				
G.O. PRORATED EXPENSES:								
PAYROLL AND BENEFITS	\$ 3,830.8	\$ 3,830.8	\$ 3,874.9	\$ 3,919.5				
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$ 68.8	\$ 68.8	\$ 68.9	\$ 69.0				
PAYROLL TAXES	\$ 236.9	\$ 236.9	\$ 239.6	\$ 242.4				
OTHER PRORATED EXPENSES	\$ 2,563.4	\$ 2,563.4	\$ 2,593.1	\$ 2,623.1				
TOTAL G.O. PRORATED EXPENSES	\$ 6,699.9	\$ 6,699.9	\$ 6,776.5	\$ 6,854.0				
SUB -- TOTAL -- OPERATING EXPENSES	\$ 54,272.2	\$ 54,274.5	\$ 54,672.8	\$ 55,070.4				
TOTAL INCOME TAXES:	\$ 1,665.7	\$ 2,363.0	\$ 2,495.2	\$ 2,627.5				
TOTAL OPERATING EXPENSES	\$ 55,937.9	\$ 56,637.5	\$ 57,168.1	\$ 57,697.9				
NET OPERATING REVENUE	\$ 5,335.4	\$ 6,351.8	\$ 6,846.2	\$ 7,340.6				
DEPRECIATED RATE BASE	\$ 79,997.0	\$ 79,997.0	\$ 86,224.0	\$ 92,451.0				
RATE OF RETURN	6.67%	7.94%	7.94%	7.94%				

APPENDIX C

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CALIFORNIA WATER SERVICE CO.
BAYSHORE DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 169,751.9	\$ 179,304.1	\$ 188,856.3
WTD. AVG. DEPRECIATION RESERVE	\$ (60,834.9)	\$ (63,524.6)	\$ (66,214.2)
MATERIALS AND SUPPLIES	\$ 282.6	\$ 282.6	\$ 282.6
TANK PAINTING	\$ 246.5	\$ 612.3	\$ 978.1
WORKING CASH - LEAD - LAG	\$ 1,120.7	\$ 1,110.4	\$ 1,100.2
WORKING CASH - W / H EMPLOYEES	\$ (16.7)	\$ (16.7)	\$ (16.7)
ADVANCES FOR CONSTRUCTION	\$ (5,469.7)	\$ (5,203.7)	\$ (4,937.8)
CONTRIBUTIONS	\$ (12,555.8)	\$ (12,771.7)	\$ (12,987.5)
AMORTIZATION OF INTANG.	\$ (727.5)	\$ (841.1)	\$ (954.7)
DEFERRED TAXES	\$ (17,772.1)	\$ (19,468.1)	\$ (21,164.1)
UNAMORT. I.T.C.	\$ (208.2)	\$ (197.1)	\$ (185.9)
PRORATED G.O. RATE BASE	\$ 5,694.3	\$ 6,446.7	\$ 7,199.1
TAXES ON ADVANCES	\$ 32.3	\$ 31.0	\$ 29.6
TAXES ON C.I.A.C.	\$ 453.7	\$ 459.7	\$ 465.8
WTG. AVG. RATE BASE	\$ 79,997.0	\$ 86,224.0	\$ 92,451.0
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 2,986.2	\$ 3,166.3	\$ 3,346.3
AD VALOREM TAXES	\$ 730.5	\$ 730.5	\$ 730.5
TOTAL INCOME TAXES AT AUTHORIZED RATE OF RETURN	\$ 2,363.0	\$ 2,495.2	\$ 2,627.5
NET OPERATING REVENUE	\$ 6,351.8	\$ 6,846.2	\$ 7,340.6

APPENDIX C

Page 3

CALIFORNIA WATER SERVICE CO.
BAYSHORE DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Bayshore	00020141	Design & Equip 4MG Storage Tanks - Sta. 27, Beresford - San Mateo	\$ 2,403,200	2014	2009 GRC	\$ 337,916
	00020315	Energy Monitoring Program - 15 Various Stations	\$ 458,200	2014	2009 GRC	\$ 64,428
	00061336	Drill, Develop and Equip - SM Well	\$ 1,348,941	2014	2012 GRC	\$ 189,676
	00061972	Land - SM Well	\$ 921,000	2015	2012 GRC	\$ 129,503
	00063397	Operations/Customer Service Center	\$ 10,200,000	2014	2012 GRC	\$ 1,434,231
	00063402	Office Furniture - Operations Center	\$ 204,000	2014	2012 GRC	\$ 28,685
	00063772	Tank Replacement - Sta. 6 - San Mateo	\$ 6,020,000	2015	2012 GRC	\$ 846,478
	00079999	Cal Water RAMCAP Vulnerability Assessments	\$ 68,567	2015	2012 GRC	\$ 9,641
	00080002	Cal Water RAMCAP Vulnerability Assessments	\$ 152,162	2015	2012 GRC	\$ 21,396
			<u>\$ 21,776,070</u>			<u>\$ 3,061,953</u>

APPENDIX C**Page 4**CALIFORNIA WATER SERVICE CO.
BAYSHORE DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$ 61,273.4	\$ 62,989.3
EXPENSES		
PURCHASED WATER	\$ 33,766.4	\$ 33,766.4
PURCHASED POWER	\$ 833.9	\$ 833.9
PUMP TAXES	\$ -	\$ -
CHEMICALS	\$ 44.9	\$ 44.9
PAYROLL	\$ 3,065.4	\$ 3,065.4
OTHER O & M	\$ 3,712.5	\$ 3,712.5
OTHER A & G	\$ 2,116.2	\$ 2,116.2
G.O. PRORATIONS	\$ 6,055.3	\$ 6,055.3
PAYROLL TAXES	\$ 234.9	\$ 234.9
AD VALOREM TAXES	\$ 730.5	\$ 730.5
UNCOLLECTIBLES	\$ 81.3	\$ 83.6
FRANCHISE TAX & BUS LIC. FEES	\$ -	\$ -
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$ (27.0)	\$ (27.0)
INTEREST EXPENSE	\$ 2,278.7	\$ 2,278.7
TOTAL DEDUCTIONS	\$ 52,893.1	\$ 52,895.4
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$ 8,407.4	\$ 8,407.4
NET STATE TAXABLE INCOME	\$ (27.1)	\$ 1,686.5
STATE CORP. FRANCHISE TAX @ 8.84%	\$ (2.4)	\$ 149.1
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$ 3,368.7	\$ 3,368.7
STATE INCOME TAX	\$ (2.4)	\$ 149.1
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$ 1.1	\$ 3.9
NET FEDERAL TAXABLE INCOME	\$ 5,012.9	\$ 6,572.3
FEDERAL INCOME TAX @ 35.00%	\$ 1,754.5	\$ 2,300.3
TOTAL FEDERAL INCOME TAX	\$ 1,754.5	\$ 2,300.3
ADJUSTMENT FOR REGULATORY LIABILITY	\$ (86.4)	\$ (86.4)
TOTAL INCOME TAXES	\$ 1,665.7	\$ 2,363.0

APPENDIX C

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**CALIFORNIA WATER SERVICE CO.
BAYSHORE DISTRICT**

Adopted Quantities

	2014	2015
Number of Services by meter size 5/8 x 3/4	40,172	40,187
3/4	12	12
1	8,977	8,985
1 1/2	1,020	1,028
2	1,413	1,425
3	261	264
4	114	115
6	29	29
8	4	4
10	0	0
12	0	0
14	0	0
TOTAL	52,002	52,050

Metered Sales, KCcf		
All Water	10,885.0	10,919.6

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	45,052	45,061	5,694.6	5,695.7	10.5	10.5
BUSINESS	5,350	5,367	3,024.4	3,034.0	47.1	47.1
MULTIPLE FAMILY	840	856	1,251.9	1,275.7	124.2	124.2
INDUSTRIAL	149	147	357.0	357.0	199.7	202.4
PUBLIC AUTHORITY	571	580	483.2	483.2	70.5	69.4
OTHER	40	39	74.0	74.0	154	158
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	52,002	52,050	10,885.0	10,919.6		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	1,372	1,389				
PUBLIC FIRE PROT	69	73				
TOTAL	53,443	53,512	10,885.0	10,919.6		
Unaccounted-for water	4.68%		534.8	536.5		
Total Production			11,419.7	11,456.0		

APPENDIX C
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CALIFORNIA WATER SERVICE CO.
BAYSHORE DISTRICT

Adopted Quantities

2014 Test Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	349.8	195.0	97.3	26.9	18.7	4.8	692.5
February	332.8	194.0	93.2	19.7	21.1	4.7	665.5
March	314.6	191.3	91.3	32.8	18.3	4.7	653.0
April	374.9	216.8	96.1	28.7	23.3	5.3	745.1
May	477.5	259.5	103.2	31.5	31.5	6.3	909.6
June	536.1	285.5	109.7	32.0	60.5	7.0	1,030.7
July	657.1	313.1	118.7	32.5	56.1	7.7	1,185.1
August	613.0	307.9	111.9	29.9	72.8	7.5	1,143.1
September	655.7	311.0	120.2	31.7	61.7	7.6	1,187.9
October	556.9	293.2	108.1	32.4	59.0	7.2	1,056.8
November	441.1	239.5	101.4	22.5	36.2	5.9	846.6
December	385.1	217.6	100.8	36.2	24.1	5.3	769.1
	5,694.6	3,024.4	1,251.9	357.0	483.2	74.0	10,885.0

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CALIFORNIA WATER SERVICE CO.
BAYSHORE DISTRICT

Adopted Quantities

2014 Test Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	13.6	726.8	740.4	\$ 2,192.2	\$ -	\$ 54.1
February	13.3	647.5	660.8	\$ 1,953.0	\$ -	\$ 48.3
March	20.7	738.9	759.6	\$ 2,228.5	\$ -	\$ 55.5
April	17.9	852.9	870.8	\$ 2,572.4	\$ -	\$ 63.6
May	28.0	1,034.1	1,062.1	\$ 3,119.0	\$ -	\$ 77.6
June	34.0	1,101.6	1,135.7	\$ 3,322.7	\$ -	\$ 82.9
July	27.1	1,226.2	1,253.3	\$ 3,698.4	\$ -	\$ 91.5
August	10.4	1,221.6	1,231.9	\$ 3,684.4	\$ -	\$ 90.0
September	15.4	1,146.5	1,161.9	\$ 3,458.1	\$ -	\$ 84.8
October	16.6	977.5	994.1	\$ 2,948.3	\$ -	\$ 72.6
November	13.4	787.4	800.8	\$ 2,374.8	\$ -	\$ 58.5
December	13.9	734.3	748.2	\$ 2,214.6	\$ -	\$ 54.6
	<u>224.5</u>	<u>11,195.3</u>	<u>11,419.8</u>	<u>\$ 33,766.4</u>	<u>\$ -</u>	<u>\$ 833.9</u>

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CALIFORNIA WATER SERVICE CO.
BAYSHORE DISTRICT
Monthly Revenue Summary (\$1,000)
2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 3,172.1	\$ 870.8	\$ 4,042.8
February	\$ 3,058.3	\$ 870.8	\$ 3,929.1
March	\$ 3,002.8	\$ 870.8	\$ 3,873.6
April	\$ 3,432.4	\$ 870.8	\$ 4,303.2
May	\$ 4,232.5	\$ 870.8	\$ 5,103.3
June	\$ 4,834.3	\$ 870.8	\$ 5,705.1
July	\$ 5,606.6	\$ 870.8	\$ 6,477.4
August	\$ 5,390.1	\$ 870.8	\$ 6,260.8
September	\$ 5,645.6	\$ 870.8	\$ 6,516.3
October	\$ 4,954.3	\$ 870.8	\$ 5,825.0
November	\$ 3,922.8	\$ 870.8	\$ 4,793.6
December	\$ 3,572.5	\$ 870.8	\$ 4,443.3
TOTAL	\$ 50,824.2	\$ 10,449.2	\$ 61,273.4

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 3,011.7	\$ 1,345.4	\$ 4,357.1
February	\$ 2,680.5	\$ 1,345.4	\$ 4,025.9
March	\$ 3,010.1	\$ 1,345.4	\$ 4,355.5
April	\$ 3,217.5	\$ 1,345.4	\$ 4,562.9
May	\$ 3,699.6	\$ 1,132.3	\$ 4,831.8
June	\$ 5,037.3	\$ 1,345.4	\$ 6,382.7
July	\$ 5,164.0	\$ 1,345.4	\$ 6,509.4
August	\$ 4,949.1	\$ 1,345.4	\$ 6,294.5
September	\$ 5,094.1	\$ 1,345.4	\$ 6,439.6
October	\$ 4,362.5	\$ 1,345.4	\$ 5,707.9
November	\$ 3,613.1	\$ 1,345.4	\$ 4,958.5
December	\$ 3,218.0	\$ 1,345.4	\$ 4,563.4
TOTAL	\$ 47,057.6	\$ 15,931.7	\$ 62,989.3

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CALIFORNIA WATER SERVICE CO.
 BAYSHORE DISTRICT

Adopted Quantities

	<u>2014</u>
	(DOLLARS IN THOUSANDS)
PURCHASED POWER	
SUPPLIER - PG&E	
Total Production (kccf)	11,419.8
Kwh / ccf	composite
Total calculated KWH	4,190,959.2
Unit Cost per KWH	\$ 0.0002
Power Cost	\$ 833.9
TOTAL PURCHASED POWER	\$ 833.9
PURCHASED WATER	
TOTAL WATER PURCHASED -KCCF (TBL 4-D7)	11,195.27
SFWD SERVICE CHARGES -MONTHLY (WP5-B10)	\$ 49,594.0
-ANNUAL \$-THOUS	\$ 595.1
RATE FOR WATER DELIVERED PER KCCF (SEE WP5-B10)	\$ 2.93
CHARGES FOR WATER DELIVERED - \$-THOUS.	\$ 32,802.0
BAWSCA Surcharge	\$ 369.3
TOTAL PURCHASED WATER COST	\$ 33,766.4

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CALIFORNIA WATER SERVICE CO.
BAYSHORE DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	11,420
ADOPTED CHEMICAL DOLLARS (IN \$1,000)	\$ 44.94
ADOPTED \$ per KCCF	\$ 0.003935
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$ -
TOTAL GROUNDWATER CHARGES	\$ -
ANNUAL WATERMASTER SERVICE	\$ -
TOTAL PUMP TAX EXPENSE	\$ -
UNCOLLECTIBLES RATE	0.13%
FRANCHISE TAX RATE	0.00%
BUSINESS LICENSE FEE	\$ -
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.68828

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CALIFORNIA WATER SERVICE CO.
BAYSHORE DISTRICT

**NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)**

2014

		NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.13276%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.86724%
	FRANCHISE TAX RATE	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%
	BUSINESS LICENSE RATE	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.13276%
6	1 - SUBTOTAL (100% - LINE 5)	99.86724%
7	CCFT (LINE 6 * 8.84%)	8.82826%
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	0.16108%
9	FIT (LINE 6 * 35 %)	31.80727%
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	40.76829%
11	NET AFTER TAXES (1 - LINE 9)	59.23171%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.68828

ADOPTED
RATIO'S

DEBT	46.6%	Without income Taxes	1.00133	0.46662
EQUITY	53.4%	With income Taxes	1.68828	0.90154
TOTAL	100.0%	Adj. Net to Gros:		1.36816

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California Water Service Company
Bayshore District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 10.50	\$ 14.44	\$ 3.94	37.50%	
5	\$ 31.81	\$ 34.17	\$ 2.36	7.41%	
8	\$ 45.11	\$ 46.48	\$ 1.37	3.04%	(2)
11	\$ 59.42	\$ 59.73	\$ 0.31	0.52%	(3)
13	\$ 70.09	\$ 69.61	\$ -0.48	-0.68%	(4)
15	\$ 81.89	\$ 80.54	\$ -1.35	-1.65%	
20	\$ 111.40	\$ 107.86	\$ -3.54	-3.18%	
25	\$ 140.90	\$ 135.18	\$ -5.73	-4.06%	
30	\$ 170.41	\$ 162.49	\$ -7.91	-4.64%	
35	\$ 199.91	\$ 189.81	\$ -10.10	-5.05%	
40	\$ 229.42	\$ 217.13	\$ -12.29	-5.36%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 4.2627	\$ 3.9467	\$ -0.32	-7.41%	
Tier 2	\$ 4.7710	\$ 4.4174	\$ -0.35	-7.41%	
Tier 3	\$ 5.9008	\$ 5.4635	\$ -0.44	-7.41%	
Service Charge:	\$ 10.50	\$ 14.44	\$ 3.94	37.50%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 8 Ccf
- (3) Monthly average usage of 11 Ccf
- (4) Typical summer monthly average usage of 13 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

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CALIFORNIA WATER SERVICE CO.
BAKERSFIELD DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT		PROPOSED		ESTIMATED		ESTIMATED	
	RATES		RATES		RATES		RATES	
	2014	2014	2015	2016	2015	2016	2015	2016
OPERATING REVENUES	\$ 63,120.6	\$ 71,127.9	\$ 72,770.2	\$ 74,342.8				
% Increase		12.7%	2.3%	2.2%				
OPERATING EXPENSES								
PURCHASED WATER	\$ 8,122.4	\$ 8,122.4	\$ 8,217.4	\$ 8,313.5				
PUMP TAXES	\$ 1,669.7	\$ 1,669.7	\$ 1,689.2	\$ 1,709.0				
PURCHASED POWER	\$ 6,072.5	\$ 6,072.5	\$ 6,143.6	\$ 6,215.4				
PURCHASED CHEMICALS	\$ 1,040.5	\$ 1,040.5	\$ 1,063.4	\$ 1,086.9				
PAYROLL -- DISTRICT	\$ 6,705.1	\$ 6,705.1	\$ 6,852.4	\$ 7,002.9				
UNCOLLECTIBLES	\$ 653.3	\$ 736.2	\$ 752.4	\$ 760.1				
CONSERVATION	\$ 572.6	\$ 572.6	\$ 572.6	\$ 572.6				
OTHER OPERATION AND MAINTENANCE	\$ 4,790.0	\$ 4,790.0	\$ 4,895.6	\$ 5,003.4				
BENEFITS	\$ 5,665.2	\$ 5,665.2	\$ 5,789.6	\$ 5,848.4				
OTHER ADMIN AND GEN. EXP.	\$ (244.7)	\$ (244.7)	\$ (197.6)	\$ (159.5)				
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 35,046.6	\$ 35,129.5	\$ 35,778.6	\$ 36,352.6				
TAXES OTHER THAN INCOME								
AD VALOREM TAXES	\$ 1,379.6	\$ 1,379.6	\$ 1,403.4	\$ 1,427.2				
BUSINESS LICENSE FEES	\$ -	\$ -	\$ -	\$ -				
LOCAL FRANCHISE TAXES	\$ 701.6	\$ 790.6	\$ 799.9	\$ 809.2				
PAYROLL TAXES	\$ 364.0	\$ 364.0	\$ 371.9	\$ 380.1				
TOTAL GENERAL TAXES	\$ 2,445.1	\$ 2,534.1	\$ 2,575.2	\$ 2,616.5				
DEPRECIATION	\$ 8,979.7	\$ 8,979.7	\$ 9,355.6	\$ 9,731.6				
G.O. PRORATED EXPENSES:								
PAYROLL AND BENEFITS	\$ 5,845.4	\$ 5,845.4	\$ 5,973.8	\$ 6,105.0				
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$ 104.9	\$ 104.9	\$ 106.1	\$ 107.4				
PAYROLL TAXES	\$ 361.5	\$ 361.5	\$ 369.4	\$ 377.6				
OTHER PRORATED EXPENSES	\$ 3,911.5	\$ 3,911.5	\$ 3,997.7	\$ 4,085.8				
TOTAL G.O. PRORATED EXPENSES	\$ 10,223.3	\$ 10,223.3	\$ 10,447.0	\$ 10,675.7				
SUB -- TOTAL -- OPERATING EXPENSES	\$ 56,694.7	\$ 56,866.6	\$ 58,156.4	\$ 59,376.4				
TOTAL INCOME TAXES:	\$ 1,082.9	\$ 4,090.2	\$ 4,263.4	\$ 4,436.6				
TOTAL OPERATING EXPENSES	\$ 57,777.6	\$ 60,956.8	\$ 62,419.8	\$ 63,813.0				
NET OPERATING REVENUE	\$ 5,343.0	\$ 10,171.1	\$ 10,350.4	\$ 10,529.8				
DEPRECIATED RATE BASE	\$ 128,099.1	\$ 128,099.1	\$ 130,358.3	\$ 132,617.4				
RATE OF RETURN	4.17%	7.94%	7.94%	7.94%				

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CALIFORNIA WATER SERVICE CO.
BAKERSFIELD DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 325,887.1	\$ 338,162.6	\$ 350,438.2
WTD. AVG. DEPRECIATION RESERVE	\$ (101,813.7)	\$ (109,999.5)	\$ (118,185.3)
MATERIALS AND SUPPLIES	\$ 578.0	\$ 578.0	\$ 578.0
TANK PAINTING	\$ 1,052.8	\$ 1,405.1	\$ 1,757.4
WORKING CASH - LEAD - LAG	\$ 3,154.5	\$ 3,104.5	\$ 3,054.5
WORKING CASH - W / H EMPLOYEES	\$ (25.4)	\$ (25.4)	\$ (25.4)
ADVANCES FOR CONSTRUCTION	\$ (60,707.8)	\$ (63,147.0)	\$ (65,586.1)
CONTRIBUTIONS	\$ (20,199.6)	\$ (20,581.5)	\$ (20,963.4)
AMORTIZATION OF INTANG.	\$ (381.3)	\$ (453.7)	\$ (526.0)
DEFERRED TAXES	\$ (30,213.0)	\$ (30,674.9)	\$ (31,136.7)
UNAMORT. I.T.C.	\$ (285.5)	\$ (279.0)	\$ (272.6)
PRORATED G.O. RATE BASE	\$ 8,688.9	\$ 9,837.0	\$ 10,985.1
TAXES ON ADVANCES	\$ 1,819.7	\$ 1,882.5	\$ 1,945.2
TAXES ON C.I.A.C.	\$ 544.7	\$ 549.7	\$ 554.7
WTG. AVG. RATE BASE	\$ 128,099.1	\$ 130,358.3	\$ 132,617.4
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 8,979.7	\$ 9,355.6	\$ 9,731.6
AD VALOREM TAXES	\$ 1,379.6	\$ 1,403.4	\$ 1,427.2
TOTAL INCOME TAXES AT AUTHORIZED RATE OF RETURN	\$ 4,090.2	\$ 4,263.4	\$ 4,436.6
NET OPERATING REVENUE	\$ 10,171.1	\$ 10,350.5	\$ 10,529.8

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CALIFORNIA WATER SERVICE CO.
BAKERSFIELD DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Bakersfield	00065469	Conversion of Flat Rate Services to Metered Services	\$ 2,698,486	2014	2012 GRC	\$ 379,437
	00065509	Conversion of Flat Rate Services to Metered Services	\$ 2,779,440	2015	2012 GRC	\$ 390,820
	00065547	Conversion of Flat Rate Services to Metered Services	\$ 2,862,823	2016	2012 GRC	\$ 402,544
	00076395	NW Bakersfield Treatment Plant Enhancements	\$ 2,852,112	2014	2012 GRC	\$ 401,038
	00079957	Cal Water RAMCAP Vulnerability Assessments	\$ 396,506	2015	2012 GRC	\$ 55,753
	00036947	Install variable frequency drive and power meter at Sta. 176	\$ 61,434	2014	OEEP MA	\$ 8,638
			<u>\$ 11,650,801</u>			<u>\$ 1,638,230</u>

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CALIFORNIA WATER SERVICE CO.
BAKERSFIELD DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE	\$ 63,120.6	\$ 71,127.9
EXPENSES		
PURCHASED WATER	\$ 8,122.4	\$ 8,122.4
PURCHASED POWER	\$ 6,072.5	\$ 6,072.5
PUMP TAXES	\$ 1,669.7	\$ 1,669.7
CHEMICALS	\$ 1,040.5	\$ 1,040.5
PAYROLL	\$ 6,705.1	\$ 6,705.1
OTHER O & M	\$ 5,362.6	\$ 5,362.6
OTHER A & G	\$ 5,420.5	\$ 5,420.5
G.O. PRORATIONS	\$ 9,239.7	\$ 9,239.7
PAYROLL TAXES	\$ 364.0	\$ 364.0
AD VALOREM TAXES	\$ 1,379.6	\$ 1,379.6
UNCOLLECTIBLES	\$ 653.3	\$ 736.2
FRANCHISE TAX & BUS LIC. FEES	\$ 701.6	\$ 790.6
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$ (256.2)	\$ (256.2)
INTEREST EXPENSE	\$ 3,586.5	\$ 3,586.5
TOTAL DEDUCTIONS	\$ 50,061.8	\$ 50,233.6
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$ 12,983.4	\$ 12,983.4
NET STATE TAXABLE INCOME	\$ 75.4	\$ 7,910.8
STATE CORP. FRANCHISE TAX @ 8.84%	\$ 6.7	\$ 699.3
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$ 9,518.1	\$ 9,518.1
STATE INCOME TAX	\$ 6.7	\$ 699.3
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$ 82.4	\$ 611.9
NET FEDERAL TAXABLE INCOME	\$ 3,451.6	\$ 10,064.9
FEDERAL INCOME TAX @ 35.00%	\$ 1,208.1	\$ 3,522.7
TOTAL FEDERAL INCOME TAX	\$ 1,208.1	\$ 3,522.7
ADJUSTMENT FOR REGULATORY LIABILITY	\$ (131.9)	\$ (131.9)
TOTAL INCOME TAXES	\$ 1,082.8	\$ 4,090.1

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**CALIFORNIA WATER SERVICE CO.
BAKERSFIELD DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	30,525	32,251
	3/4	1	1
	1	12,479	13,091
	1 1/2	816	831
	2	1,700	1,725
	3	294	300
	4	131	134
	6	48	48
	8	2	2
	10	0	0
	12	0	0
	14	0	0
	TOTAL		45,996

Metered Sales, KCcf

All Water	19,883.4	20,568.2
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Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	37,565	39,864	9,673.0	10,265.0	21.5	21.5
BUSINESS	6,316	6,337	5,541.7	5,560.1	73.1	73.1
MULTIPLE FAMILY	1,316	1,367	1,921.4	1,995.8	121.7	121.7
INDUSTRIAL	30	29	22.3	22.3	61.9	64.0
PUBLIC AUTHORITY	726	746	2,670.1	2,670.1	306.5	298.3
OTHER	43	40	55.0	55.0	107	115
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	45,996	48,383	19,883.4	20,568.2		
RESIDENTIAL FLAT	22,111	19,906	10,449.6	9,407.5		
PRIVATE FIRE PROT	830	847				
PUBLIC FIRE PROT	92	94				
TOTAL	69,029	69,230	30,332.9	29,975.7		
Unaccounted-for water			2,283.1	2,256.2		
Total Production			32,616.1	32,232.0		

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**CALIFORNIA WATER SERVICE CO.
BAKERSFIELD DISTRICT**

Adopted Quantities

2014 Test Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	431.4	320.2	126.0	1.4	64.6	3.2	946.9
February	393.1	292.9	113.4	1.3	37.7	2.9	841.2
March	430.7	305.6	121.7	1.3	77.3	3.0	939.6
April	569.1	368.1	128.1	1.2	130.7	3.7	1,200.8
May	786.4	426.8	151.7	1.4	217.4	4.2	1,588.0
June	991.0	530.8	172.0	1.9	291.6	5.3	1,992.5
July	1,280.4	632.1	211.2	2.8	379.4	6.3	2,512.1
August	1,223.6	627.4	202.4	2.6	405.0	6.2	2,467.2
September	1,258.7	677.2	215.4	2.8	424.5	6.7	2,585.3
October	969.9	536.3	179.3	2.2	328.4	5.3	2,021.4
November	756.4	443.5	156.9	1.9	187.2	4.4	1,550.4
December	582.4	380.5	143.5	1.5	126.2	3.8	1,237.9
	<u>9,673.0</u>	<u>5,541.7</u>	<u>1,921.4</u>	<u>22.3</u>	<u>2,670.1</u>	<u>55.0</u>	<u>19,883.4</u>

APPENDIX D**Page 7**CALIFORNIA WATER SERVICE CO.
BAKERSFIELD DISTRICT

Adopted Quantities

2014 Test Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	656.0	851.7	1,507.7	\$ 436.4	\$ 65.3	\$ 280.7
February	619.1	843.1	1,462.2	\$ 431.9	\$ 61.7	\$ 272.2
March	782.7	1,170.1	1,952.8	\$ 599.5	\$ 78.0	\$ 363.6
April	1,135.4	1,170.9	2,306.3	\$ 599.9	\$ 113.1	\$ 429.4
May	1,595.8	1,463.1	3,059.0	\$ 749.6	\$ 159.0	\$ 569.5
June	2,069.4	1,572.6	3,642.0	\$ 805.7	\$ 206.1	\$ 678.1
July	2,390.1	1,820.5	4,210.7	\$ 932.7	\$ 238.1	\$ 784.0
August	2,466.1	1,775.5	4,241.6	\$ 909.6	\$ 245.7	\$ 789.7
September	1,962.7	1,599.5	3,562.2	\$ 819.5	\$ 195.5	\$ 663.2
October	1,414.1	1,370.2	2,784.3	\$ 702.0	\$ 140.9	\$ 518.4
November	955.2	1,213.0	2,168.1	\$ 621.4	\$ 95.1	\$ 403.7
December	715.5	1,003.7	1,719.3	\$ 514.2	\$ 71.3	\$ 320.1
	<u>16,762.3</u>	<u>15,853.8</u>	<u>32,616.1</u>	<u>\$ 8,122.4</u>	<u>\$ 1,669.7</u>	<u>\$ 6,072.5</u>

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CALIFORNIA WATER SERVICE CO.
 BAKERSFIELD DISTRICT
 Monthly Revenue Summary (In \$1,000)
 2014

TEST-YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 1,444.8	\$ 2,682.7	\$ 4,127.5
February	\$ 1,281.7	\$ 2,682.7	\$ 3,964.4
March	\$ 1,431.9	\$ 2,682.7	\$ 4,114.6
April	\$ 1,843.5	\$ 2,682.7	\$ 4,526.3
May	\$ 2,460.0	\$ 2,682.7	\$ 5,142.7
June	\$ 3,113.5	\$ 2,682.7	\$ 5,796.3
July	\$ 3,965.6	\$ 2,682.7	\$ 6,648.4
August	\$ 3,882.8	\$ 2,682.7	\$ 6,565.5
September	\$ 4,071.4	\$ 2,682.7	\$ 6,754.1
October	\$ 3,143.7	\$ 2,682.7	\$ 5,826.4
November	\$ 2,392.4	\$ 2,682.7	\$ 5,075.1
December	\$ 1,896.6	\$ 2,682.7	\$ 4,579.3
TOTAL	\$ 30,927.7	\$ 32,192.9	\$ 63,120.6

TEST-YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 1,724.3	\$ 3,075.5	\$ 4,799.8
February	\$ 1,605.8	\$ 3,075.5	\$ 4,681.4
March	\$ 1,888.9	\$ 3,075.5	\$ 4,964.4
April	\$ 2,042.1	\$ 3,075.5	\$ 5,117.6
May	\$ 2,639.9	\$ 2,945.4	\$ 5,585.3
June	\$ 3,779.5	\$ 3,075.5	\$ 6,855.0
July	\$ 4,296.5	\$ 3,075.5	\$ 7,372.0
August	\$ 4,083.9	\$ 3,075.5	\$ 7,159.4
September	\$ 4,220.6	\$ 3,075.5	\$ 7,296.2
October	\$ 3,319.5	\$ 3,075.5	\$ 6,395.0
November	\$ 2,576.8	\$ 3,075.5	\$ 5,652.3
December	\$ 2,174.1	\$ 3,075.5	\$ 5,249.6
TOTAL	\$ 34,351.7	\$ 36,776.3	\$ 71,128.0

APPENDIX D

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CALIFORNIA WATER SERVICE CO.
BAKERSFIELD DISTRICT

Adopted Quantities

				<u>2014</u>
PURCHASED POWER				
SUPPLIER - SCE				
Total Production (kccf)				32,616.1
Kwh / ccf				various
Total calculated KWH				45,427,653
Unit Cost				\$0.1337
Power Cost			\$	6,072,546.1
TOTAL PURCHASED POWER (In \$1,000)			\$	6,072.5
PURCHASED WATER				
KERN COUNTY WATER AGENCY				
Purchased Water Production - KCCF				11,709.3
Purchased Water Production - Acre Feet				5,100.6
Quantity Rate			\$	11,709.3
				154.0
IMPROVEMENT DISTRICT NO. 4				
Quarterly payments	4	\$ 37.1	\$	148.5
	4	\$ 3.8	\$	15.2
KCWA facilities charge			\$	3,536.9
ANNUAL ENTITLEMENT				
Acre Feet				11,709
Mil. Gal				3,816
KWH'S per MIL GALS.				1,353.2
Computed Kwh				5,163,237
Average cost per Kwh			\$	0.1259
Pumping Cost \$ - Thousands			\$	649.8
Dry-year Fee	7,040	\$75		\$528
CITY OF BAKERSFIELD				
River Water to Supply NE Treatment Plant - Acre Feet				14,962
River Water to Supply NW Treatment Plant -- Acre Feet				2,685
Total River Water				17,646
Cost Per Acre Feet			\$	81.7
Sub-total (In \$1,000)			\$	1,440.8
Adjustment for CBK's share at 50% (See WP5-B1a)			\$	-
TOTAL PURCHASED WATER COST (In \$1,000)			\$	8,122.4

APPENDIX D

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**CALIFORNIA WATER SERVICE CO.
BAKERSFIELD DISTRICT**

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	24,448.9
ADOPTED CHEMICAL DOLLARS (IN \$1,000)	\$ 1,040.5
ADOPTED \$ per KCCF	\$ 0.042559
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	38,481.2
UNIT COST - ACRE FEET	\$ 34.0
TOTAL GROUNDWATER CHARGES	\$ 1,308,361.1
ANNUAL WATERMASTER SERVICE	\$ 361,300.0
TOTAL PUMP TAX EXPENSE (In \$1,000)	\$ 1,669.7
UNCOLLECTIBLES RATE	1.03%
FRANCHISE TAX RATE	1.11%
BUSINESS LICENSE FEE	\$ -
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.65718

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CALIFORNIA WATER SERVICE CO.
BAKERSFIELD DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

			NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	1.03499%	1.03499%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	98.96501%	98.96501%
	FRANCHISE TAX RATE	1.11153%	1.11153%
3	LOCAL FRANCHISE (% * LINE 2)	1.10003%	1.10003%
	BUSINESS LICENSE RATE	0.00000%	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	2.13502%	2.13502%
6	1 - SUBTOTAL (100% - LINE 5)	97.86498%	97.86498%
7	CCFT (LINE 6 * 8.84%)	8.65126%	
8	AMERICAN JOBS CREATION ACT (LINE 6 * 9%)	6.72691%	
9	FIT (LINE 6 * 35 %)	28.87038%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	39.65666%	2.13502%
11	NET AFTER TAXES (1 - LINE 9)	60.34334%	97.86498%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.65718	1.02182

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.02182	0.47617
EQUITY	53.40%	With income Taxes	1.65718	0.88494
TOTAL	100.00%	Adj. Net to Gross		<u>1.36110</u>

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CALIFORNIA WATER SERVICE CO.
BAKERSFIELD DISTRICT**Typical Monthly Residential Bill for Metered Customers for 2014**

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 13.40	\$ 14.65	\$ 1.25	9.30%	
5	\$ 20.86	\$ 22.94	\$ 2.07	9.93%	
10	\$ 28.33	\$ 31.22	\$ 2.90	10.23%	
13	\$ 32.80	\$ 36.20	\$ 3.39	10.35%	(2)
15	\$ 36.04	\$ 39.79	\$ 3.75	10.41%	
20	\$ 44.13	\$ 48.77	\$ 4.65	10.53%	
21	\$ 45.74	\$ 50.57	\$ 4.83	10.55%	(3)
24	\$ 50.60	\$ 55.96	\$ 5.36	10.60%	
25	\$ 52.21	\$ 57.76	\$ 5.54	10.62%	
30	\$ 60.30	\$ 66.74	\$ 6.44	10.68%	
34	\$ 66.77	\$ 73.93	\$ 7.16	10.72%	(4)
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 1.4921	\$ 1.6573	\$ 0.17	11.07%	
Tier 2	\$ 1.6178	\$ 1.7969	\$ 0.18	11.07%	
Tier 3	\$ 1.8847	\$ 2.0934	\$ 0.21	11.07%	
Service Charge:	\$ 13.40	\$ 14.65	\$ 1.25	9.30%	(5) (6)

Monthly Residential Bill for Flat-rate Customers for 2014**Lot size:**

6,000 sq. ft. or less	\$ 59.67	\$ 69.76	\$ 10.08	16.90%
6,001-10,000 sq. ft.	\$ 68.71	\$ 80.32	\$ 11.61	16.90%

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 13 Ccf
- (3) Monthly average usage of 21 Ccf
- (4) Typical summer monthly average usage of 34 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX E

Page 1

CALIFORNIA WATER SERVICE CO.
BEAR GULCH DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT		PROPOSED		ESTIMATED		ESTIMATED	
	RATES		RATES		RATES		RATES	
	2014	2014	2014	2014	2015	2016	2015	2016
OPERATING REVENUES	\$ 36,798.3	\$ 39,305.9			\$ 39,618.6	\$ 39,924.7		
		6.8%			0.8%	0.8%		
OPERATING EXPENSES								
PURCHASED WATER	\$ 17,121.8	\$ 17,121.8			\$ 17,269.9	\$ 17,419.2		
GROUNDWATER EXTRACTION CHARGES	\$ -	\$ -			\$ -	\$ -		
PURCHASED POWER	\$ 836.2	\$ 836.2			\$ 843.4	\$ 850.7		
PURCHASED CHEMICALS	\$ 83.3	\$ 83.3			\$ 84.8	\$ 86.4		
PAYROLL -- DISTRICT	\$ 2,215.9	\$ 2,215.9			\$ 2,257.7	\$ 2,300.4		
UNCOLLECTIBLES	\$ 31.0	\$ 33.1			\$ 33.7	\$ 34.0		
CONSERVATION	\$ 540.9	\$ 540.9			\$ 540.9	\$ 540.9		
OTHER OPERATION AND MAINTENANCE	\$ 2,165.0	\$ 2,165.0			\$ 2,206.0	\$ 2,247.9		
BENEFITS	\$ 1,275.1	\$ 1,275.1			\$ 1,299.2	\$ 1,312.3		
OTHER ADMIN AND GEN. EXP.	\$ 339.7	\$ 339.7			\$ 346.1	\$ 352.7		
TOTAL O. & M., A. & G., & MISC. EXP.	\$24,608.9	\$24,611.0			\$24,881.8	\$25,144.6		
TAXES OTHER THAN INCOME								
AD VALOREM TAXES	\$ 640.9	\$ 640.9			\$ 689.4	\$ 738.0		
BUSINESS LICENSE FEES	\$ 26.5	\$ 28.1			\$ 28.3	\$ 28.6		
LOCAL FRANCHISE TAXES	\$ 290.4	\$ 310.2			\$ 312.9	\$ 315.6		
PAYROLL TAXES	\$ 156.7	\$ 156.7			\$ 159.6	\$ 162.6		
TOTAL GENERAL TAXES	\$ 1,114.5	\$ 1,135.9			\$ 1,190.3	\$ 1,244.9		
DEPRECIATION	\$ 2,840.1	\$ 2,840.1			\$ 2,923.5	\$ 3,006.9		
G.O. PRORATED EXPENSES:								
PAYROLL AND BENEFITS	\$ 2,140.5	\$ 2,140.5			\$ 2,180.9	\$ 2,222.1		
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$ 38.4	\$ 38.4			\$ 38.7	\$ 39.1		
PAYROLL TAXES	\$ 132.4	\$ 132.4			\$ 134.9	\$ 137.4		
OTHER PRORATED EXPENSES	\$ 1,432.3	\$ 1,432.3			\$ 1,459.5	\$ 1,487.1		
TOTAL G.O. PRORATED EXPENSES	\$ 3,743.6	\$ 3,743.6			\$ 3,814.0	\$ 3,885.7		
SUB -- TOTAL -- OPERATING EXPENSES	\$ 32,307.1	\$ 32,330.6			\$ 32,809.6	\$ 33,282.0		
TOTAL INCOME TAXES:	\$ 1,070.9	\$ 2,078.6			\$ 1,779.0	\$ 1,479.3		
TOTAL OPERATING EXPENSES	\$ 33,378.0	\$ 34,409.1			\$ 34,588.6	\$ 34,761.4		
NET OPERATING REVENUE	\$ 3,420.3	\$ 4,896.8			\$ 5,030.0	\$ 5,163.3		
DEPRECIATED RATE BASE	\$ 61,672.0	\$ 61,672.0			\$ 63,350.5	\$ 65,029.0		
RATE OF RETURN	5.55%	7.94%			7.94%	7.94%		

APPENDIX E**Page 2****CALIFORNIA WATER SERVICE CO.
BEAR GULCH DISTRICT****ADOPTED RATE BASE
(DOLLARS IN THOUSANDS)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 120,209.2	\$ 125,722.9	\$ 131,236.6
WTD. AVG. DEPRECIATION RESERVE	\$ (37,330.4)	\$ (40,032.5)	\$ (42,734.6)
MATERIALS AND SUPPLIES	\$ 321.6	\$ 321.6	\$ 321.6
TANK PAINTING	\$ -	\$ 162.0	\$ 324.1
WORKING CASH - LEAD - LAG	\$ 268.6	\$ 289.1	\$ 309.7
WORKING CASH - W / H EMPLOYEES	\$ (9.3)	\$ (9.3)	\$ (9.3)
ADVANCES FOR CONSTRUCTION	\$ (1,331.4)	\$ (1,261.1)	\$ (1,190.7)
CONTRIBUTIONS	\$ (7,487.1)	\$ (7,927.8)	\$ (8,368.5)
AMORTIZATION OF INTANG.	\$ (463.2)	\$ (564.3)	\$ (665.3)
DEFERRED TAXES	\$ (15,991.9)	\$ (17,281.3)	\$ (18,570.6)
UNAMORT. I.T.C.	\$ (112.5)	\$ (106.8)	\$ (101.2)
PRORATED G.O. RATE BASE	\$ 3,181.8	\$ 3,602.2	\$ 4,022.6
TAXES ON ADVANCES	\$ 62.0	\$ 60.2	\$ 58.3
TAXES ON C.I.A.C.	\$ 354.6	\$ 375.5	\$ 396.3
WTG. AVG. RATE BASE	\$ 61,672.0	\$ 63,350.5	\$ 65,029.0
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 2,840.1	\$ 2,923.5	\$ 3,006.9
AD VALOREM TAXES	\$ 640.9	\$ 689.4	\$ 738.0
TOTAL INCOME TAXES AT AUTHORIZED	\$ 2,078.6	\$ 1,779.0	\$ 1,479.3
NET OPERATING REVENUE	\$ 4,896.8	\$ 5,030.0	\$ 5,163.3

APPENDIX D

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CALIFORNIA WATER SERVICE CO.
BEAR GULCH DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Bear Gulch	00012922	Diversion Dam Fish Passage IMP	\$ 400,000	2014	2005 GRC	\$ 59,288
	00018979	Sta. 3 Bypass Flow Monitoring	\$ 666,600	2014	2007 GRC	\$ 98,803
	00020196	Fish Passage Facility - Upper Division Dam	\$ 1,315,000	2014	2009 GRC	\$ 194,908
	00064059	16" and 20" pipe - Portola Rd. - (1) replacement of existing 8" STL pipe with 2,400 ft of 16" DI from near Talin Lane to Station 8 and 1,200 ft of 20" DI from Station 8 to capped end and (2) extension of 4,500 ft of 20" DI pipeline from capped end to Sta .13	\$ 3,168,364	2014	2012 GRC	\$ 469,612
	00064060	Combine Stations 8 and 13 pumping facilities at Station 13 site.	\$ 1,310,000	2014	2012 GRC	\$ 194,167
	00065249	Design of Dam Modifications	\$ 540,000	2015	2012 GRC	\$ 80,038
	00079915	Cal Water RAMCAP Vulnerability Assessments	\$ 122,120	2015	2012 GRC	\$ 18,101
			<u>\$ 7,522,084</u>			<u>\$ 1,114,916</u>

APPENDIX E**Page 4****CALIFORNIA WATER SERVICE CO.
BEAR GULCH DISTRICT****INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)**

	PRESENT RATES	PROPOSED RATES
	<u>2014</u>	<u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$ 36,798.3	\$ 39,305.9
EXPENSES		
PURCHASED WATER	\$ 17,121.8	\$ 17,121.8
PURCHASED POWER	\$ 836.2	\$ 836.2
PUMP TAXES	\$ -	\$ -
CHEMICALS	\$ 83.3	\$ 83.3
PAYROLL	\$ 2,215.9	\$ 2,215.9
OTHER O & M	\$ 2,706.0	\$ 2,706.0
OTHER A & G	\$ 1,614.8	\$ 1,614.8
G.O. PRORATIONS	\$ 3,383.4	\$ 3,383.4
PAYROLL TAXES	\$ 156.7	\$ 156.7
AD VALOREM TAXES	\$ 640.9	\$ 640.9
UNCOLLECTIBLES	\$ 31.0	\$ 33.1
FRANCHISE TAX & BUS LIC. FEES	\$ 316.9	\$ 338.3
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$ (76.5)	\$ (76.5)
INTEREST EXPENSE	\$ 1,776.4	\$ 1,776.4
TOTAL DEDUCTIONS	\$ 30,806.7	\$ 30,830.2
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$ 4,702.7	\$ 4,702.7
NET STATE TAXABLE INCOME	\$ 1,288.9	\$ 3,773.1
STATE CORP. FRANCHISE TAX @ 8.84%	\$ 113.9	\$ 333.5
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$ 2,995.9	\$ 2,995.9
STATE INCOME TAX	\$ 113.9	\$ 333.5
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$ 9.7	\$ 22.5
NET FEDERAL TAXABLE INCOME	\$ 2,872.1	\$ 5,123.8
FEDERAL INCOME TAX @ 35.00%	\$ 1,005.2	\$ 1,793.3
TOTAL FEDERAL INCOME TAX	\$ 1,005.2	\$ 1,793.3
ADJUSTMENT FOR REGULATORY LIABILITY	\$ (48.3)	\$ (48.3)
TOTAL INCOME TAXES	\$ 1,070.9	\$ 2,078.6

APPENDIX E

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**CALIFORNIA WATER SERVICE CO.
BEAR GULCH DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	11,187	11,272
	3/4	229	231
	1	4,888	4,925
	1 1/2	1,738	1,753
	2	712	719
	3	50	51
	4	15	15
	6	10	11
	8	0	0
	10	0	0
	12	0	0
	14	0	0
TOTAL		18,830	18,976

Metered Sales, KCcf		
All Water	5,790.1	5,838.5

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	17,184	17,307	4,864.8	4,899.6	23.6	23.6
BUSINESS	1,401	1,417	629.7	636.9	37.5	37.5
MULTIPLE FAMILY	95	99	151.5	157.8	132.9	132.9
INDUSTRIAL	1	1	1.8	1.8	147.8	147.8
PUBLIC AUTHORITY	128	132	133.8	133.8	87.1	84.5
OTHER	21	20	8.5	8.5	34	36
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	18,830	18,976	5,790.1	5,838.5		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	339	351				
PUBLIC FIRE PROT	25	27				
TOTAL	19,194	19,354	5,790.1	5,838.5		
Unaccounted-for water	5.03%		306.7	309.2		
Total Production			6,096.8	6,147.7		

APPENDIX E

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**CALIFORNIA WATER SERVICE CO.
BEAR GULCH DISTRICT**

Adopted Quantities

2014 Test Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	174.1	38.1	10.5	0.0	4.0	0.5	227.2
February	168.6	38.6	10.7	0.1	4.6	0.5	223.2
March	156.9	37.0	10.1	0.0	4.3	0.5	208.8
April	219.5	43.8	10.8	0.2	6.0	0.6	280.9
May	377.2	52.8	12.8	0.2	11.4	0.7	455.2
June	524.5	59.1	13.4	0.1	15.6	0.8	613.5
July	659.6	69.9	15.7	0.2	18.8	0.9	765.2
August	691.2	65.3	14.4	0.2	19.3	0.9	791.3
September	680.8	67.8	15.7	0.2	18.9	0.9	784.3
October	555.3	62.3	14.0	0.2	15.1	0.8	647.6
November	389.5	49.7	11.9	0.2	9.4	0.7	461.5
December	267.6	45.3	11.5	0.1	6.4	0.6	331.4
	4,864.8	629.7	151.5	1.8	133.8	8.5	5,790.1

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**CALIFORNIA WATER SERVICE CO.
BEAR GULCH DISTRICT**

Adopted Quantities

2014 Test Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	0.0	247.2	247.2	\$ 694.2	\$ -	\$ 33.9
February	0.0	218.8	218.8	\$ 614.5	\$ -	\$ 30.0
March	0.0	271.2	271.2	\$ 761.6	\$ -	\$ 37.2
April	0.0	425.5	425.5	\$ 1,195.0	\$ -	\$ 58.4
May	0.0	625.0	625.0	\$ 1,755.2	\$ -	\$ 85.7
June	0.0	721.5	721.5	\$ 2,026.2	\$ -	\$ 99.0
July	0.0	810.4	810.4	\$ 2,275.8	\$ -	\$ 111.1
August	0.0	824.0	824.0	\$ 2,314.0	\$ -	\$ 113.0
September	0.0	751.0	751.0	\$ 2,108.9	\$ -	\$ 103.0
October	0.0	552.2	552.2	\$ 1,550.6	\$ -	\$ 75.7
November	0.0	364.4	364.4	\$ 1,023.4	\$ -	\$ 50.0
December	0.0	285.7	285.7	\$ 802.3	\$ -	\$ 39.2
	<u>0.0</u>	<u>6,096.8</u>	<u>6,096.8</u>	<u>\$ 17,121.8</u>	<u>\$ -</u>	<u>\$ 836.2</u>

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CALIFORNIA WATER SERVICE CO.
 BEAR GULCH DISTRICT
 Monthly Revenue Summary (In \$1,000)
 2014

TEST-YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 1,142.8	\$ 494.2	\$ 1,637.0
February	\$ 1,122.7	\$ 494.2	\$ 1,616.9
March	\$ 1,050.3	\$ 494.2	\$ 1,544.5
April	\$ 1,425.4	\$ 494.2	\$ 1,919.6
May	\$ 2,389.7	\$ 494.2	\$ 2,883.9
June	\$ 3,296.3	\$ 494.2	\$ 3,790.5
July	\$ 4,163.0	\$ 494.2	\$ 4,657.2
August	\$ 4,335.4	\$ 494.2	\$ 4,829.6
September	\$ 4,301.6	\$ 494.2	\$ 4,795.8
October	\$ 3,497.9	\$ 494.2	\$ 3,992.1
November	\$ 2,434.9	\$ 494.2	\$ 2,929.1
December	\$ 1,708.0	\$ 494.2	\$ 2,202.2
TOTAL	\$ 30,867.9	\$ 5,930.4	\$ 36,798.3

TEST-YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 1,176.5	\$ 798.8	\$ 1,975.3
February	\$ 1,106.8	\$ 798.8	\$ 1,905.6
March	\$ 1,158.8	\$ 798.8	\$ 1,957.7
April	\$ 1,587.8	\$ 798.8	\$ 2,386.6
May	\$ 2,061.5	\$ 795.8	\$ 2,857.3
June	\$ 3,422.8	\$ 798.8	\$ 4,221.6
July	\$ 4,025.2	\$ 798.8	\$ 4,824.1
August	\$ 3,957.6	\$ 798.8	\$ 4,756.4
September	\$ 4,099.2	\$ 798.8	\$ 4,898.1
October	\$ 3,273.8	\$ 798.8	\$ 4,072.7
November	\$ 2,242.4	\$ 798.8	\$ 3,041.2
December	\$ 1,610.5	\$ 798.8	\$ 2,409.3
TOTAL	\$ 29,723.1	\$ 9,582.8	\$ 39,305.9

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CALIFORNIA WATER SERVICE CO.
BEAR GULCH DISTRICT

Adopted Quantities

	<u>2014</u> (DOLLARS IN THOUSANDS)
PURCHASED POWER	
SUPPLIER - PG&E	
Total Production (kccf)	6,096.8
Kwh / ccf	873.3
Total calculated KWH	5,324,084.8
Unit Cost per KWH	\$ 0.0002
TOTAL PURCHASED POWER	\$ 836.2
PURCHASED WATER	
SAN FRANCISCO PUBLIC UTILITIES COMMISSION	
Purchased Water Production - KCCF	5,712.7
Quantity Rate per KCCF	\$ 2.93
Monthly Service Charge	\$ 17.36
BAWSCA Surcharge	\$ 175.50
TOTAL PURCHASED WATER COST	\$ 17,121.9

APPENDIX E

Page 10

CALIFORNIA WATER SERVICE CO.
BEAR GULCH DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	384.1
ADOPTED CHEMICAL DOLLARS	\$ 83.3
ADOPTED \$ per KCCF	\$ 0.216748
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$ -
TOTAL GROUNDWATER CHARGES	\$ -
ANNUAL WATERMASTER SERVICE	\$ -
TOTAL PUMP TAX EXPENSE	\$ -
UNCOLLECTABLES RATE	0.08%
FRANCHISE TAX RATE	0.79%
BUSINESS LICENSE FEE (in \$1,000)	\$28.1
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.69854

APPENDIX E

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**CALIFORNIA WATER SERVICE CO.
BEAR GULCH DISTRICT**

**NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)**

2014

		NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.08413%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.91587%
	FRANCHISE TAX RATE	0.78924%
3	LOCAL FRANCHISE (% * LINE 2)	0.78857%
	BUSINESS LICENSE RATE	0.07104%
4	BUSINESS LICENSE (% * LINE 2)	0.07099%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.94369%
6	1 - SUBTOTAL (100% - LINE 5)	99.05631%
7	CCFT (LINE 6 * 8.84%)	8.75658%
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	0.51202%
9	FIT (LINE 6 * 35 %)	31.42570%
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	41.12596%
11	NET AFTER TAXES (1 - LINE 9)	58.87404%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.69854
		1.00953

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.00953	0.47044
EQUITY	53.40%	With income Taxes	1.69854	0.90702
TOTAL	100.00%	Adj. Net to Gros:		1.37746

APPENDIX E
Page 12
California Water Service Company
Bear Gulch District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes
0	\$ 14.20	\$ 19.60	\$ 5.40	38.00%	(1)
5	\$ 38.24	\$ 42.75	\$ 4.51	11.78%	
10	\$ 62.28	\$ 65.90	\$ 3.61	5.80%	
15	\$ 87.83	\$ 90.50	\$ 2.67	3.04%	
16	\$ 92.94	\$ 95.42	\$ 2.48	2.66%	(2)
20	\$ 113.38	\$ 115.10	\$ 1.72	1.52%	
24	\$ 133.82	\$ 134.78	\$ 0.96	0.72%	(3)
25	\$ 138.92	\$ 139.70	\$ 0.77	0.55%	
30	\$ 164.47	\$ 164.30	\$ -0.18	-0.11%	
35	\$ 190.02	\$ 188.89	\$ -1.12	-0.59%	
39	\$ 214.45	\$ 212.42	\$ -2.03	-0.95%	(4)
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 4.8081	\$ 4.6298	\$ -0.18	-3.71%	
Tier 2	\$ 5.1094	\$ 4.9199	\$ -0.19	-3.71%	
Tier 3	\$ 6.1082	\$ 5.8816	\$ -0.23	-3.71%	
Service Charge:	\$ 14.20	\$ 19.60	\$ 5.40	38.00%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 16 Ccf
- (3) Monthly average usage of 24 Ccf
- (4) Typical summer monthly average usage of 39 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX F
Page 1
CALIFORNIA WATER SERVICE CO.
CHICO DISTRICT

SUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	<u>PRESENT</u>		<u>PROPOSED</u>		<u>ESTIMATED</u>		<u>ESTIMATED</u>	
	<u>RATES</u>		<u>RATES</u>		<u>RATES</u>		<u>RATES</u>	
	<u>2014</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>
OPERATING REVENUES	\$ 17,745.3	\$ 21,305.3			\$ 21,561.2	\$ 21,801.5		
		20.1%			1.2%	1.1%		
OPERATING EXPENSES								
PURCHASED WATER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GROUNDWATER EXTRACTION CHARGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PURCHASED POWER	\$ 1,666.0	\$ 1,666.0	\$ 1,681.7	\$ 1,697.6	\$ 1,681.7	\$ 1,697.6	\$ 1,697.6	\$ 1,697.6
PURCHASED CHEMICALS	\$ 174.1	\$ 174.1	\$ 177.5	\$ 181.0	\$ 177.5	\$ 181.0	\$ 181.0	\$ 181.0
PAYROLL -- DISTRICT	\$ 2,724.0	\$ 2,724.0	\$ 2,777.6	\$ 2,832.2	\$ 2,777.6	\$ 2,832.2	\$ 2,832.2	\$ 2,832.2
UNCOLLECTIBLES	\$ 39.8	\$ 47.8	\$ 48.7	\$ 49.2	\$ 48.7	\$ 49.2	\$ 49.2	\$ 49.2
CONSERVATION	\$ 219.0	\$ 219.0	\$ 219.0	\$ 219.0	\$ 219.0	\$ 219.0	\$ 219.0	\$ 219.0
OTHER OPERATION AND MAINTENANCE	\$ 1,502.0	\$ 1,502.0	\$ 1,531.6	\$ 1,561.9	\$ 1,531.6	\$ 1,561.9	\$ 1,561.9	\$ 1,561.9
BENEFITS	\$ 1,989.8	\$ 1,989.8	\$ 2,028.9	\$ 2,049.5	\$ 2,028.9	\$ 2,049.5	\$ 2,049.5	\$ 2,049.5
OTHER ADMIN AND GEN. EXP.	\$ 100.7	\$ 100.7	\$ 102.7	\$ 104.8	\$ 102.7	\$ 104.8	\$ 104.8	\$ 104.8
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 8,415.4	\$ 8,423.4	\$ 8,567.8	\$ 8,695.1	\$ 8,567.8	\$ 8,695.1	\$ 8,695.1	\$ 8,695.1
TAXES OTHER THAN INCOME								
AD VALOREM TAXES	\$ 510.2	\$ 510.2	\$ 535.9	\$ 561.6	\$ 535.9	\$ 561.6	\$ 561.6	\$ 561.6
BUSINESS LICENSE FEES	\$ 28.2	\$ 28.2	\$ 28.5	\$ 28.7	\$ 28.5	\$ 28.7	\$ 28.7	\$ 28.7
LOCAL FRANCHISE TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PAYROLL TAXES	\$ 225.0	\$ 225.0	\$ 229.5	\$ 234.0	\$ 229.5	\$ 234.0	\$ 234.0	\$ 234.0
TOTAL GENERAL TAXES	\$ 763.5	\$ 763.5	\$ 793.8	\$ 824.3	\$ 793.8	\$ 824.3	\$ 824.3	\$ 824.3
DEPRECIATION	\$ 3,360.5	\$ 3,360.5	\$ 3,224.4	\$ 3,088.3	\$ 3,224.4	\$ 3,088.3	\$ 3,088.3	\$ 3,088.3
G.O. PRORATED EXPENSES:								
PAYROLL AND BENEFITS	\$ 2,117.6	\$ 2,117.6	\$ 2,159.2	\$ 2,201.7	\$ 2,159.2	\$ 2,201.7	\$ 2,201.7	\$ 2,201.7
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$ 38.0	\$ 38.0	\$ 38.4	\$ 38.7	\$ 38.4	\$ 38.7	\$ 38.7	\$ 38.7
PAYROLL TAXES	\$ 131.0	\$ 131.0	\$ 133.6	\$ 136.2	\$ 133.6	\$ 136.2	\$ 136.2	\$ 136.2
OTHER PRORATED EXPENSES	\$ 1,417.0	\$ 1,417.0	\$ 1,445.0	\$ 1,473.5	\$ 1,445.0	\$ 1,473.5	\$ 1,473.5	\$ 1,473.5
TOTAL G.O. PRORATED EXPENSES	\$ 3,703.6	\$ 3,703.6	\$ 3,776.1	\$ 3,850.1	\$ 3,776.1	\$ 3,850.1	\$ 3,850.1	\$ 3,850.1
SUB -- TOTAL -- OPERATING EXPENSES	\$ 16,243.0	\$ 16,250.9	\$ 16,362.1	\$ 16,457.7	\$ 16,362.1	\$ 16,457.7	\$ 16,457.7	\$ 16,457.7
TOTAL INCOME TAXES:	\$ (3.7)	\$ 1,345.2	\$ 1,378.7	\$ 1,412.2	\$ 1,378.7	\$ 1,412.2	\$ 1,412.2	\$ 1,412.2
TOTAL OPERATING EXPENSES	\$ 16,239.3	\$ 17,596.1	\$ 17,740.8	\$ 17,869.9	\$ 17,740.8	\$ 17,869.9	\$ 17,869.9	\$ 17,869.9
NET OPERATING REVENUE	\$ 1,506.0	\$ 3,709.3	\$ 3,820.4	\$ 3,931.6	\$ 3,820.4	\$ 3,931.6	\$ 3,931.6	\$ 3,931.6
DEPRECIATED RATE BASE	\$ 46,716.1	\$ 46,716.1	\$ 48,116.0	\$ 49,516.0	\$ 48,116.0	\$ 49,516.0	\$ 49,516.0	\$ 49,516.0
RATE OF RETURN	3.22%	7.94%	7.94%	7.94%	7.94%	7.94%	7.94%	7.94%

APPENDIX F**Page 2**CALIFORNIA WATER SERVICE CO.
CHICO DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 131,477.1	\$ 135,238.4	\$ 138,999.8
WTD. AVG. DEPRECIATION RESERVE	\$ (41,415.2)	\$ (44,427.5)	\$ (47,439.7)
MATERIALS AND SUPPLIES	\$ 234.9	\$ 234.9	\$ 234.9
TANK PAINTING	\$ -	\$ -	\$ -
WORKING CASH - LEAD - LAG	\$ 348.0	\$ 343.9	\$ 339.8
WORKING CASH - W / H EMPLOYEES	\$ (9.2)	\$ (9.2)	\$ (9.2)
ADVANCES FOR CONSTRUCTION	\$ (25,636.6)	\$ (24,865.8)	\$ (24,095.1)
CONTRIBUTIONS	\$ (10,357.2)	\$ (10,525.1)	\$ (10,693.0)
AMORTIZATION OF INTANG.	\$ (264.9)	\$ (290.8)	\$ (316.7)
DEFERRED TAXES	\$ (11,858.0)	\$ (12,161.6)	\$ (12,465.3)
UNAMORT. I.T.C.	\$ (117.3)	\$ (115.8)	\$ (114.4)
PRORATED G.O. RATE BASE	\$ 3,147.8	\$ 3,563.6	\$ 3,979.4
TAXES ON ADVANCES	\$ 920.7	\$ 881.0	\$ 841.2
TAXES ON C.I.A.C.	\$ 246.0	\$ 250.1	\$ 254.2
WTG. AVG. RATE BASE	\$ 46,716.1	\$ 48,116.0	\$ 49,516.0
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 3,360.5	\$ 3,224.4	\$ 3,088.3
AD VALOREM TAXES	\$ 510.2	\$ 535.9	\$ 561.6
TOTAL INCOME TAXES AT AUTHORIZED	\$ 1,345.2	\$ 1,378.7	\$ 1,412.2
NET OPERATING REVENUE	\$ 3,709.3	\$ 3,820.4	\$ 3,931.6

APPENDIX D
Page 3

CALIFORNIA WATER SERVICE CO.
 CHICO DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Chico	00016952	Central Plume Remediation 3 - Phase II	\$ 1,020,662	2014	2009 GRC	\$ 150,818
	00020515	1.5 MG Tank Site - Sta. 79	\$ 2,618,225	2014	2012 GRC	\$ 386,881
	00079956	Cal Water RAMCAP Vulnerability Assessments	\$ 123,848	2015	2012 GRC	\$ 18,300
	00010950	Install variable frequency drive and replace pump at Sta. 64-01	\$ 143,561	2014	OEEP MA	\$ 21,213
			<u>\$ 3,906,296</u>			<u>\$ 577,213</u>

APPENDIX F**Page 4**CALIFORNIA WATER SERVICE CO.
CHICO DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$ 17,745.3	\$ 21,305.3
EXPENSES		
PURCHASED WATER	\$ -	\$ -
PURCHASED POWER	\$ 1,666.0	\$ 1,666.0
PUMP TAXES	\$ -	\$ -
CHEMICALS	\$ 174.1	\$ 174.1
PAYROLL	\$ 2,724.0	\$ 2,724.0
OTHER O & M	\$ 1,721.0	\$ 1,721.0
OTHER A & G	\$ 2,090.5	\$ 2,090.5
G.O. PRORATIONS	\$ 3,347.3	\$ 3,347.3
PAYROLL TAXES	\$ 225.0	\$ 225.0
AD VALOREM TAXES	\$ 510.2	\$ 510.2
UNCOLLECTIBLES	\$ 39.8	\$ 47.8
FRANCHISE TAX & BUS LIC. FEES	\$ 28.2	\$ 28.2
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$ (25.1)	\$ (25.1)
INTEREST EXPENSE	\$ 1,341.7	\$ 1,341.7
TOTAL DEDUCTIONS	\$ 13,842.8	\$ 13,850.8
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$ 5,252.9	\$ 5,252.9
NET STATE TAXABLE INCOME	\$ (1,350.4)	\$ 2,201.7
STATE CORP. FRANCHISE TAX @ 8.84%	\$ (119.4)	\$ 194.6
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$ 3,607.1	\$ 3,607.1
STATE INCOME TAX	\$ (119.4)	\$ 194.6
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$ (52.3)	\$ 229.1
NET FEDERAL TAXABLE INCOME	\$ 467.0	\$ 3,423.7
FEDERAL INCOME TAX @ 35.00%	\$ 163.4	\$ 1,198.3
TOTAL FEDERAL INCOME TAX	\$ 163.4	\$ 1,198.3
ADJUSTMENT FOR REGULATORY LIABILITY	\$ (47.8)	\$ (47.8)
TOTAL INCOME TAXES	\$ (3.7)	\$ 1,345.2

APPENDIX F

Page 5

**CALIFORNIA WATER SERVICE CO.
CHICO DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	19,840	21,141
	3/4	9	10
	1	3,550	3,710
	1 1/2	392	396
	2	1,013	1,024
	3	122	123
	4	39	39
	6	10	10
	8	0	0
	10	0	0
	12	0	0
	14	0	0
TOTAL		24,974	26,454

Metered Sales, KCcf		
All Water	8,953.6	9,348.4

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	20,507	21,952	4,940.1	5,288.2	20.1	20.1
BUSINESS	3,029	3,041	1,914.5	1,922.1	52.7	52.7
MULTIPLE FAMILY	937	962	1,466.9	1,506.0	130.5	130.5
INDUSTRIAL	19	17	183.4	183.4	804.5	899.2
PUBLIC AUTHORITY	468	470	436.7	436.7	77.8	77.4
OTHER	14	12	11.9	11.9	71	83
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	24,974	26,454	8,953.6	9,348.4		
RESIDENTIAL FLAT	2,460	1,015	930.5	383.9		
PRIVATE FIRE PROT	406	416				
PUBLIC FIRE PROT	45	47				
TOTAL	27,885	27,932	9,884.1	9,732.3		
Unaccounted-for water			744.0	732.5		
Total Production			10,628.1	10,464.9		

APPENDIX F

Page 6

CALIFORNIA WATER SERVICE CO.
CHICO DISTRICT

Adopted Quantities

2014 Test Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	186.7	84.3	83.9	13.7	11.7	0.5	380.9
February	183.1	82.5	83.0	13.1	14.8	0.5	376.9
March	171.2	82.3	83.3	13.2	17.2	0.5	367.8
April	264.5	115.1	98.0	15.7	21.9	0.7	515.9
May	394.9	159.9	121.6	16.9	35.9	1.0	730.2
June	474.7	187.2	134.8	16.2	42.4	1.2	856.4
July	699.8	242.5	163.6	18.3	61.7	1.5	1,187.5
August	709.9	248.5	165.1	16.7	61.4	1.5	1,203.1
September	726.8	258.1	181.1	16.7	71.1	1.6	1,255.3
October	545.2	208.8	147.0	15.2	54.2	1.3	971.6
November	337.6	141.9	111.4	14.8	27.2	0.9	633.8
December	245.7	103.4	94.1	13.0	17.4	0.6	474.2
	4,940.1	1,914.5	1,466.9	183.4	436.7	11.9	8,953.6

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CALIFORNIA WATER SERVICE CO.

CHICO DISTRICT

Adopted Quantities

2014 Test Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	473.0	0.0	473.0	\$ -	\$ -	\$ 74.1
February	427.5	0.0	427.5	\$ -	\$ -	\$ 67.0
March	529.8	0.0	529.8	\$ -	\$ -	\$ 83.0
April	757.9	0.0	757.9	\$ -	\$ -	\$ 118.8
May	1,001.2	0.0	1,001.2	\$ -	\$ -	\$ 156.9
June	1,191.7	0.0	1,191.7	\$ -	\$ -	\$ 186.8
July	1,513.7	0.0	1,513.7	\$ -	\$ -	\$ 237.3
August	1,474.8	0.0	1,474.8	\$ -	\$ -	\$ 231.2
September	1,268.6	0.0	1,268.6	\$ -	\$ -	\$ 198.9
October	878.1	0.0	878.1	\$ -	\$ -	\$ 137.6
November	602.8	0.0	602.8	\$ -	\$ -	\$ 94.5
December	509.1	0.0	509.1	\$ -	\$ -	\$ 79.8
	<u>10,628.1</u>	<u>0.0</u>	<u>10,628.1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,666.0</u>

APPENDIX F**Page 8**

CALIFORNIA WATER SERVICE CO.
CHICO DISTRICT
Monthly Revenue Summary (In \$1,000)
2014

TEST-YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 374.4	\$ 731.9	\$ 1,106.3
February	\$ 370.8	\$ 731.9	\$ 1,102.7
March	\$ 361.6	\$ 731.9	\$ 1,093.5
April	\$ 510.2	\$ 731.9	\$ 1,242.1
May	\$ 728.0	\$ 731.9	\$ 1,459.9
June	\$ 857.7	\$ 731.9	\$ 1,589.6
July	\$ 1,198.9	\$ 731.9	\$ 1,930.8
August	\$ 1,216.1	\$ 731.9	\$ 1,948.0
September	\$ 1,268.7	\$ 731.9	\$ 2,000.6
October	\$ 976.8	\$ 731.9	\$ 1,708.7
November	\$ 631.6	\$ 731.9	\$ 1,363.5
December	\$ 467.7	\$ 731.9	\$ 1,199.6
TOTAL	\$ 8,962.5	\$ 8,782.8	\$ 17,745.3

TEST-YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 535.9	\$ 754.7	\$ 1,290.5
February	\$ 518.3	\$ 754.7	\$ 1,272.9
March	\$ 611.1	\$ 754.7	\$ 1,365.8
April	\$ 726.8	\$ 754.7	\$ 1,481.4
May	\$ 957.7	\$ 634.4	\$ 1,592.1
June	\$ 1,384.0	\$ 754.7	\$ 2,138.7
July	\$ 1,602.7	\$ 754.7	\$ 2,357.4
August	\$ 1,563.8	\$ 754.7	\$ 2,318.5
September	\$ 1,668.7	\$ 754.7	\$ 2,423.3
October	\$ 1,271.7	\$ 754.7	\$ 2,026.4
November	\$ 876.0	\$ 754.7	\$ 1,630.7
December	\$ 652.9	\$ 754.7	\$ 1,407.6
TOTAL	\$ 12,369.7	\$ 8,935.7	\$ 21,305.3

APPENDIX F

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CALIFORNIA WATER SERVICE CO.
CHICO DISTRICT

Adopted Quantities

2014

PURCHASED POWER	
SUPPLIER - PG&E	
Total Production (kccf)	10,628.1
Kwh / ccf	various
Total calculated KWH	10,816,688
Unit Cost	\$ 0.15402
Power Cost (In \$1,000)	\$ 1,666.0
TOTAL PURCHASED POWER (In \$1,000)	\$ 1,666.0
PURCHASED WATER	
TOTAL PURCHASED WATER COST	\$ -

APPENDIX F

Page 10

CALIFORNIA WATER SERVICE CO.

CHICO DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	10,628.1
ADOPTED CHEMICAL DOLLARS (in \$1000)	\$ 174.1
ADOPTED \$ per KCCF	\$ 0.016381
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$ -
TOTAL GROUNDWATER CHARGES	\$ -
ANNUAL WATERMASTER SERVICE	\$ -
TOTAL PUMP TAX EXPENSE	\$ -
UNCOLLECTABLES RATE	0.22%
FRANCHISE TAX RATE	0.00%
BUSINESS LICENSE FEE (in \$1000)	\$28.20
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.61326

APPENDIX F

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CALIFORNIA WATER SERVICE CO.
CHICO DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

			NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.22417%	0.22417%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.77583%	99.77583%
	FRANCHISE TAX RATE	0.00000%	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%	0.00000%
	BUSINESS LICENSE RATE	0.00000%	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.22417%	0.22417%
6	1 - SUBTOTAL (100% - LINE 5)	99.77583%	99.77583%
7	CCFT (LINE 6 * 8.84%)	8.82018%	
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	8.18601%	
9	FIT (LINE 6 * (35 %-(35%*8.84%))	28.96937%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	38.01373%	0.22417%
11	NET AFTER TAXES (1 - LINE 9)	61.98627%	99.77583%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.61326	1.00225

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.00225	0.46705
EQUITY	53.40%	With income Taxes	1.61326	0.86148
TOTAL	100.00%			1.32853
		Adj. Net to Gross		

APPENDIX F**Page 12**California Water Service Company
Chico District Bill Comparison**Typical Monthly Residential Bill for Metered Customers for 2014**

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 14.55	\$ 14.61	\$ 0.06	0.40%	
5	\$ 19.16	\$ 20.96	\$ 1.81	9.44%	
10	\$ 23.76	\$ 27.32	\$ 3.56	14.98%	
11	\$ 24.75	\$ 28.68	\$ 3.93	15.90%	(2)
15	\$ 28.69	\$ 34.13	\$ 5.43	18.94%	
20	\$ 33.63	\$ 40.94	\$ 7.31	21.74%	(3)
25	\$ 38.56	\$ 47.75	\$ 9.19	23.82%	
30	\$ 43.49	\$ 54.56	\$ 11.06	25.43%	
33	\$ 46.59	\$ 58.82	\$ 12.24	26.27%	(4)
35	\$ 48.69	\$ 61.73	\$ 13.04	26.78%	
40	\$ 53.95	\$ 68.99	\$ 15.04	27.87%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 0.9209	\$ 1.2710	\$ 0.35	38.02%	
Tier 2	\$ 0.9868	\$ 1.3619	\$ 0.38	38.02%	
Tier 3	\$ 1.0525	\$ 1.4526	\$ 0.40	38.02%	
Service Charge:	\$ 14.55	\$ 14.61	\$ 0.06	0.40%	(5) (6)

Monthly Residential Bill for Flat-rate Customers for 2014

Lot size:					
6,000 sq. ft. or less	\$ 46.06	\$ 49.52	\$ 3.47	7.53%	
6,001-10,000 sq. ft.	\$ 55.61	\$ 59.79	\$ 4.18	7.53%	

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 11 Ccf
- (3) Monthly average usage of 20 Ccf
- (4) Typical summer monthly average usage of 33 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX G

Page 1

CALIFORNIA WATER SERVICE CO.
DIXON DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT		PROPOSED		ESTIMATED		ESTIMATED	
	RATES		RATES		RATES		RATES	
	2014	2014	2014	2014	2015	2016	2015	2016
OPERATING REVENUES	\$ 2,154.2	\$ 3,031.3	\$ 3,048.5	\$ 3,065.8				
% Increase		40.7%	0.6%	0.6%				
OPERATING EXPENSES								
PURCHASED WATER	\$ -	\$ -	\$ -	\$ -				
GROUNDWATER EXTRACTION CHARGES	\$ -	\$ -	\$ -	\$ -				
PURCHASED POWER	\$ 154.5	\$ 154.5	\$ 154.5	\$ 154.5				
PURCHASED CHEMICALS	\$ 12.0	\$ 12.0	\$ 12.1	\$ 12.2				
PAYROLL -- DISTRICT	\$ 290.5	\$ 290.5	\$ 293.4	\$ 296.4				
UNCOLLECTIBLES	\$ 10.0	\$ 14.0	\$ 14.2	\$ 14.3				
CONSERVATION	\$ 11.6	\$ 11.6	\$ 11.6	\$ 11.6				
OTHER OPERATION AND MAINTENANCE	\$ 319.0	\$ 319.0	\$ 322.3	\$ 325.6				
BENEFITS	\$ 181.0	\$ 181.0	\$ 182.8	\$ 184.7				
OTHER ADMIN AND GEN. EXP.	\$ 44.3	\$ 44.3	\$ 44.8	\$ 45.2				
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 1,022.9	\$ 1,026.9	\$ 1,035.7	\$ 1,044.5				
TAXES OTHER THAN INCOME								
AD VALOREM TAXES	\$ 125.7	\$ 125.7	\$ 125.5	\$ 125.4				
BUSINESS LICENSE FEES	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1				
LOCAL FRANCHISE TAXES	\$ -	\$ -	\$ -	\$ -				
PAYROLL TAXES	\$ 18.9	\$ 18.9	\$ 19.0	\$ 19.2				
TOTAL GENERAL TAXES	\$ 144.6	\$ 144.6	\$ 144.7	\$ 144.7				
DEPRECIATION	\$ 370.4	\$ 370.4	\$ 375.7	\$ 381.0				
G.O. PRORATED EXPENSES:								
PAYROLL AND BENEFITS	\$ 217.5	\$ 217.5	\$ 219.7	\$ 221.9				
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$ 3.9	\$ 3.9	\$ 3.9	\$ 3.9				
PAYROLL TAXES	\$ 13.5	\$ 13.5	\$ 13.6	\$ 13.8				
OTHER PRORATED EXPENSES	\$ 145.5	\$ 145.5	\$ 147.0	\$ 148.5				
TOTAL G.O. PRORATED EXPENSES	\$ 380.4	\$ 380.4	\$ 384.2	\$ 388.1				
SUB -- TOTAL -- OPERATING EXPENSES	\$ 1,918.3	\$ 1,922.3	\$ 1,940.3	\$ 1,958.4				
TOTAL INCOME TAXES:	\$ (3.2)	\$ 327.5	\$ 327.6	\$ 327.8				
TOTAL OPERATING EXPENSES	\$ 1,915.1	\$ 2,249.9	\$ 2,267.9	\$ 2,286.2				
NET OPERATING REVENUE	\$ 239.1	\$ 781.5	\$ 780.6	\$ 779.6				
DEPRECIATED RATE BASE	\$ 9,842.5	\$ 9,842.5	\$ 9,830.8	\$ 9,819.2				
RATE OF RETURN	2.43%	7.94%	7.94%	7.94%				

APPENDIX G**Page 2**CALIFORNIA WATER SERVICE CO.
DIXON DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 14,983.3	\$ 15,180.9	\$ 15,378.6
WTD. AVG. DEPRECIATION RESERVE	\$ (3,324.4)	\$ (3,676.1)	\$ (4,027.8)
MATERIALS AND SUPPLIES	\$ 59.1	\$ 59.1	\$ 59.1
TANK PAINTING	\$ -	\$ 130.4	\$ 260.9
WORKING CASH - LEAD - LAG	\$ 129.7	\$ 131.2	\$ 132.7
WORKING CASH - W / H EMPLOYEES	\$ (0.9)	\$ (0.9)	\$ (0.9)
ADVANCES FOR CONSTRUCTION	\$ (370.9)	\$ (357.0)	\$ (343.1)
CONTRIBUTIONS	\$ (385.8)	\$ (382.9)	\$ (379.9)
AMORTIZATION OF INTANG.	\$ (186.1)	\$ (217.3)	\$ (248.4)
DEFERRED TAXES	\$ (1,391.3)	\$ (1,401.2)	\$ (1,411.0)
UNAMORT. I.T.C.	\$ (8.9)	\$ (8.4)	\$ (7.8)
PRORATED G.O. RATE BASE	\$ 323.2	\$ 366.0	\$ 408.8
TAXES ON ADVANCES	\$ 6.7	\$ 0.5	\$ (5.7)
TAXES ON C.I.A.C.	\$ 8.8	\$ 6.3	\$ 3.8
WTG. AVG. RATE BASE	\$ 9,842.5	\$ 9,830.8	\$ 9,819.2
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 370.4	\$ 375.7	\$ 381.0
AD VALOREM TAXES	\$ 125.7	\$ 125.5	\$ 125.4
TOTAL INCOME TAXES AT AUTHORIZED	\$ 327.5	\$ 327.6	\$ 327.8
NET OPERATING REVENUE	\$ 781.5	\$ 780.6	\$ 779.6

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Page 3

CALIFORNIA WATER SERVICE CO.
 DIXON DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Dixon	00019807	New Generator - Sta. 4	\$ 146,667	2014	2012 GRC	\$ 21,845
	00061955	New Well - Sta. 4	\$ 2,602,060	2015	2012 GRC	\$ 387,555
	00079958	Cal Water RAMCAP Vulnerability Assessments	\$ 51,017	2015	2012 GRC	\$ 7,599
			<u>\$ 2,799,744</u>			<u>\$ 416,999</u>

APPENDIX G**Page 4**CALIFORNIA WATER SERVICE CO.
DIXON DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$ 2,154.2	\$ 3,031.3
EXPENSES		
PURCHASED WATER	\$ -	\$ -
PURCHASED POWER	\$ 154.5	\$ 154.5
PUMP TAXES	\$ -	\$ -
CHEMICALS	\$ 12.0	\$ 12.0
PAYROLL	\$ 290.5	\$ 290.5
OTHER O & M	\$ 330.6	\$ 330.6
OTHER A & G	\$ 225.3	\$ 225.3
G.O. PRORATIONS	\$ 343.8	\$ 343.8
PAYROLL TAXES	\$ 18.9	\$ 18.9
AD VALOREM TAXES	\$ 125.7	\$ 125.7
UNCOLLECTIBLES	\$ 10.0	\$ 14.0
FRANCHISE TAX & BUS LIC. FEES	\$ 0.1	\$ 0.1
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$ (25.3)	\$ (25.3)
INTEREST EXPENSE	\$ 280.7	\$ 280.7
TOTAL DEDUCTIONS	\$ 1,766.7	\$ 1,770.7
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$ 541.0	\$ 541.0
NET STATE TAXABLE INCOME	\$ (153.4)	\$ 719.7
STATE CORP. FRANCHISE TAX @ 8.84%	\$ (13.6)	\$ 63.6
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$ 359.8	\$ 359.8
STATE INCOME TAX	\$ (13.6)	\$ 63.6
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$ (2.4)	\$ 69.2
NET FEDERAL TAXABLE INCOME	\$ 43.7	\$ 768.0
FEDERAL INCOME TAX @ 35.00%	\$ 15.3	\$ 268.8
TOTAL FEDERAL INCOME TAX	\$ 15.3	\$ 268.8
ADJUSTMENT FOR REGULATORY LIABILITY	\$ (4.9)	\$ (4.9)
TOTAL INCOME TAXES	\$ (3.2)	\$ 327.5

APPENDIX G

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**CALIFORNIA WATER SERVICE CO.
DIXON DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	2,318	2,313
	3/4	0	0
	1	444	444
	1 1/2	23	23
	2	41	43
	3	8	8
	4	2	2
	6	0	0
	8	0	0
	10	0	0
	12	0	0
	14	0	0
TOTAL		2,836	2,834

Metered Sales, KCcf		
All Water	536.3	537.5

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	2,594	2,585	408.6	407.1	13.1	13.1
BUSINESS	172	176	42.1	43.0	20.4	20.4
MULTIPLE FAMILY	26	27	42.5	44.2	136.4	136.4
INDUSTRIAL	3	3	0.1	0.1	2.8	2.8
PUBLIC AUTHORITY	41	43	42.8	42.8	87.0	83.0
OTHER	-	-	0.2	0.2	0	0
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	2,836	2,834	536.3	537.5		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	26	26				
PUBLIC FIRE PROT	10	11				
TOTAL	2,872	2,871	536.3	537.5		
Unaccounted-for water	7.86%		45.7	45.8		
Total Production			582.0	583.3		

APPENDIX G

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CALIFORNIA WATER SERVICE CO.
DIXON DISTRICT

Adopted Quantities

2014 Calendar Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	20.9	2.0	2.6	0.0	0.8	0.0	26.3
February	19.1	2.0	2.8	0.0	-1.0	0.0	22.9
March	18.1	1.9	2.3	0.0	0.6	0.0	23.0
April	24.5	2.5	2.9	0.0	1.0	0.0	31.0
May	35.0	3.5	3.8	0.0	3.3	0.0	45.6
June	40.0	4.1	4.0	0.0	5.4	0.0	53.6
July	55.8	5.6	4.4	0.0	5.4	0.2	71.3
August	52.5	5.4	4.3	0.0	9.0	0.0	71.2
September	53.8	5.6	4.9	0.0	6.1	0.0	70.5
October	39.2	3.9	3.9	0.0	5.7	0.0	52.6
November	27.7	3.1	3.6	0.0	3.1	0.0	37.5
December	22.0	2.4	3.0	0.0	3.5	0.0	30.9
	408.6	42.1	42.5	0.1	42.8	0.2	536.3

APPENDIX G

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CALIFORNIA WATER SERVICE CO.
DIXON DISTRICT

Adopted Quantities

2014 Calendar Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	29.6	0.0	29.6	\$ -	\$ -	\$ 7.8
February	26.9	0.0	26.9	\$ -	\$ -	\$ 7.1
March	31.4	0.0	31.4	\$ -	\$ -	\$ 8.3
April	41.4	0.0	41.4	\$ -	\$ -	\$ 11.0
May	58.7	0.0	58.7	\$ -	\$ -	\$ 15.6
June	65.0	0.0	65.0	\$ -	\$ -	\$ 17.2
July	76.7	0.0	76.7	\$ -	\$ -	\$ 20.3
August	75.2	0.0	75.2	\$ -	\$ -	\$ 20.0
September	65.0	0.0	65.0	\$ -	\$ -	\$ 17.3
October	46.6	0.0	46.6	\$ -	\$ -	\$ 12.4
November	33.5	0.0	33.5	\$ -	\$ -	\$ 8.9
December	32.0	0.0	32.0	\$ -	\$ -	\$ 8.5
	<u>582.0</u>	<u>0.0</u>	<u>582.0</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 154.5</u>

APPENDIX G**Page 8**

CALIFORNIA WATER SERVICE CO.
DIXON DISTRICT
Monthly Revenue Summary (In \$1,000)
2014

TEST-YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 53.1	\$ 86.0	\$ 139.2
February	\$ 45.2	\$ 86.0	\$ 131.3
March	\$ 46.1	\$ 86.0	\$ 132.1
April	\$ 62.9	\$ 86.0	\$ 148.9
May	\$ 94.8	\$ 86.0	\$ 180.8
June	\$ 112.8	\$ 86.0	\$ 198.9
July	\$ 152.1	\$ 86.0	\$ 238.1
August	\$ 152.8	\$ 86.0	\$ 238.8
September	\$ 150.4	\$ 86.0	\$ 236.4
October	\$ 110.8	\$ 86.0	\$ 196.8
November	\$ 77.2	\$ 86.0	\$ 163.2
December	\$ 63.7	\$ 86.0	\$ 149.7
TOTAL	\$ 1,121.9	\$ 1,032.3	\$ 2,154.2

TEST-YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 90.0	\$ 97.4	\$ 187.4
February	\$ 84.2	\$ 97.4	\$ 181.5
March	\$ 86.3	\$ 97.4	\$ 183.7
April	\$ 108.2	\$ 97.4	\$ 205.5
May	\$ 152.4	\$ 66.6	\$ 219.0
June	\$ 212.4	\$ 97.4	\$ 309.8
July	\$ 250.2	\$ 97.4	\$ 347.6
August	\$ 231.7	\$ 97.4	\$ 329.1
September	\$ 248.5	\$ 97.4	\$ 345.9
October	\$ 186.1	\$ 97.4	\$ 283.5
November	\$ 136.4	\$ 97.4	\$ 233.8
December	\$ 107.3	\$ 97.4	\$ 204.6
TOTAL	\$ 1,893.7	\$ 1,137.7	\$ 3,031.3

APPENDIX G

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CALIFORNIA WATER SERVICE CO.
DIXON DISTRICT

Adopted Quantities

2014

PURCHASED POWER
SUPPLIER - PG&E

Total Production (kccf)	582.0
Kwh / ccf	1,499.7
Total calculated KWH	872,915.0
Unit Cost	\$ 0.176946
Power Cost	\$ 154,458.7
TOTAL PURCHASED POWER (In \$1,000)	\$ 154.5

PURCHASED WATER

TOTAL PURCHASED WATER COST	\$ -
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APPENDIX G
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CALIFORNIA WATER SERVICE CO.
 DIXON DISTRICT
 Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	582
ADOPTED CHEMICAL DOLLARS (In \$1,000)	\$ 12.0
ADOPTED \$ per KCCF	\$ 0.020604
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$ -
TOTAL GROUNDWATER CHARGES	\$ -
ANNUAL WATERMASTER SERVICE	\$ -
TOTAL PUMP TAX EXPENSE	\$ -
UNCOLLECTABLES RATE	0.46%
FRANCHISE TAX RATE	0.00%
BUSINESS LICENSE FEE (In \$1,000)	\$0.10
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.61713

APPENDIX G

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CALIFORNIA WATER SERVICE CO.
DIXON DISTRICT

**NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)**

2014

		NORMAL W/O INCOME TAXES	
1	UNCOLLECTIBLES	0.46283%	0.46283%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.53717%	99.53717%
	FRANCHISE TAX RATE	0.00000%	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%	0.00000%
	BUSINESS LICENSE RATE	0.00000%	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.46283%	0.46283%
6	1 - SUBTOTAL (100% - LINE 5)	99.53717%	99.53717%
7	CCFT (LINE 6 * 8.84%)	8.79909%	
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	8.16643%	
9	FIT (LINE 6 * 35 %)	28.90008%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	38.16200%	0.46283%
11	NET AFTER TAXES (1 - LINE 9)	61.83800%	99.53717%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.61713	1.00465

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.00465	0.46817
EQUITY	53.40%	With income Taxes	1.61713	0.86355
TOTAL	100.00%			1.33171

Adj. Net to Gro:

APPENDIX G**Page 12**California Water Service Company
Dixon District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014					
Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 21.51	\$ 23.70	\$ 2.19	10.20%	
5	\$ 31.14	\$ 39.96	\$ 8.82	28.32%	
9	\$ 38.84	\$ 52.96	\$ 14.12	36.35%	(2)
10	\$ 40.77	\$ 56.21	\$ 15.44	37.88%	
13	\$ 47.25	\$ 67.16	\$ 19.90	42.12%	(3)
15	\$ 51.58	\$ 74.45	\$ 22.88	44.36%	
20	\$ 62.38	\$ 92.69	\$ 30.31	48.59%	
21	\$ 64.54	\$ 96.34	\$ 31.80	49.26%	(4)
25	\$ 73.19	\$ 110.93	\$ 37.74	51.57%	
30	\$ 84.51	\$ 130.04	\$ 45.53	53.88%	
35	\$ 96.17	\$ 149.72	\$ 53.55	55.69%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 1.9259	\$ 3.2507	\$ 1.32	68.79%	
Tier 2	\$ 2.1614	\$ 3.6482	\$ 1.49	68.79%	
Tier 3	\$ 2.3323	\$ 3.9367	\$ 1.60	68.79%	
Service Charge:	\$ 21.51	\$ 23.70	\$ 2.19	10.20%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 9 Ccf
- (3) Monthly average usage of 13 Ccf
- (4) Typical summer monthly average usage of 21 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX H

Page 1

CALIFORNIA WATER SERVICE CO.
DOMINGUEZ SOUTH-BAY DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT		PROPOSED		ESTIMATED		ESTIMATED	
	RATES		RATES		RATES		RATES	
	2014	2014	2015	2016	2015	2016	2015	2016
OPERATING REVENUES	\$ 54,731.6	\$ 56,532.3	\$ 57,190.7	\$ 57,848.7				
% Increase		3.3%	1.2%	1.2%				
OPERATING EXPENSES								
PURCHASED WATER	\$ 27,359.9	\$ 27,359.9	\$ 27,385.8	\$ 27,411.8				
GROUNDWATER EXTRACTION CHARGES	\$ 3,872.3	\$ 3,872.3	\$ 3,876.0	\$ 3,879.7				
PURCHASED POWER	\$ 1,210.2	\$ 1,210.2	\$ 1,211.4	\$ 1,212.5				
PURCHASED CHEMICALS	\$ 458.9	\$ 458.9	\$ 464.0	\$ 469.2				
PAYROLL -- DISTRICT	\$ 3,607.9	\$ 3,607.9	\$ 3,648.0	\$ 3,688.5				
UNCOLLECTIBLES	\$ 128.8	\$ 133.1	\$ 134.6	\$ 135.9				
CONSERVATION	\$ 797.7	\$ 797.7	\$ 797.7	\$ 797.7				
OTHER OPERATION AND MAINTENANCE	\$ 2,183.5	\$ 2,183.5	\$ 2,207.9	\$ 2,232.6				
BENEFITS	\$ 1,988.5	\$ 1,988.5	\$ 2,010.6	\$ 2,031.0				
OTHER ADMIN AND GEN. EXP.	\$ 937.0	\$ 937.0	\$ 947.5	\$ 958.1				
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 42,544.7	\$ 42,549.0	\$ 42,683.4	\$ 42,817.0				
TAXES OTHER THAN INCOME								
AD VALOREM TAXES	\$ 386.7	\$ 386.7	\$ 433.2	\$ 479.8				
BUSINESS LICENSE FEES	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5				
LOCAL FRANCHISE TAXES	\$ -	\$ -	\$ -	\$ -				
PAYROLL TAXES	\$ 243.1	\$ 243.1	\$ 245.8	\$ 248.6				
TOTAL GENERAL TAXES	\$ 630.3	\$ 630.3	\$ 679.6	\$ 728.9				
DEPRECIATION	\$ 3,471.9	\$ 3,471.9	\$ 3,676.4	\$ 3,880.9				
G.O. PRORATED EXPENSES:								
PAYROLL AND BENEFITS	\$ 3,159.3	\$ 3,159.3	\$ 3,194.4	\$ 3,229.9				
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$ 56.7	\$ 56.7	\$ 56.8	\$ 56.8				
PAYROLL TAXES	\$ 195.4	\$ 195.4	\$ 197.6	\$ 199.8				
OTHER PRORATED EXPENSES	\$ (775.9)	\$ (775.9)	\$ (784.6)	\$ (793.4)				
TOTAL G.O. PRORATED EXPENSES	\$ 2,635.5	\$ 2,635.5	\$ 2,664.1	\$ 2,693.1				
SUB -- TOTAL -- OPERATING EXPENSES	\$ 49,282.5	\$ 49,286.7	\$ 49,703.6	\$ 50,119.9				
TOTAL INCOME TAXES:	\$ 1,062.4	\$ 1,806.5	\$ 1,860.0	\$ 1,913.6				
TOTAL OPERATING EXPENSES	\$ 50,344.9	\$ 51,093.2	\$ 51,563.6	\$ 52,033.5				
NET OPERATING REVENUE	\$ 4,386.7	\$ 5,439.1	\$ 5,627.1	\$ 5,815.2				
DEPRECIATED RATE BASE	\$ 68,502.3	\$ 68,502.3	\$ 70,870.7	\$ 73,239.1				
RATE OF RETURN	6.40%	7.94%	7.94%	7.94%				

APPENDIX H

Page 2

CALIFORNIA WATER SERVICE CO.
DOMINGUEZ SOUTH-BAY DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 136,514.2	\$ 143,841.6	\$ 151,169.1
WTD. AVG. DEPRECIATION RESERVE	\$ (49,982.0)	\$ (53,659.8)	\$ (57,337.7)
MATERIALS AND SUPPLIES	\$ 240.5	\$ 240.5	\$ 240.5
TANK PAINTING	\$ 98.4	\$ 622.3	\$ 1,146.1
WORKING CASH - LEAD - LAG	\$ 201.1	\$ 231.8	\$ 262.4
WORKING CASH - W / H EMPLOYEES	\$ (13.7)	\$ (13.7)	\$ (13.7)
ADVANCES FOR CONSTRUCTION	\$ (2,847.1)	\$ (2,694.5)	\$ (2,542.0)
CONTRIBUTIONS	\$ (17,226.4)	\$ (19,544.2)	\$ (21,862.0)
AMORTIZATION OF INTANG.	\$ (231.2)	\$ (285.2)	\$ (339.3)
DEFERRED TAXES	\$ (3,756.6)	\$ (3,922.7)	\$ (4,088.9)
UNAMORT. I.T.C.	\$ (138.8)	\$ (130.6)	\$ (122.4)
PRORATED G.O. RATE BASE	\$ 4,696.0	\$ 5,316.6	\$ 5,937.2
PRORATED RANCHO DOMINGUEZ. RATE BASE	\$ 404.3	\$ 242.5	\$ 80.7
TAXES ON ADVANCES	\$ 24.0	\$ 23.2	\$ 22.5
TAXES ON C.I.A.C.	\$ 519.6	\$ 603.0	\$ 686.5
WTG. AVG. RATE BASE	\$ 68,502.3	\$ 70,870.7	\$ 73,239.1
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 3,471.9	\$ 3,676.4	\$ 3,880.9
AD VALOREM TAXES	\$ 386.7	\$ 433.2	\$ 479.8
TOTAL INCOME TAXES AT AUTHORIZED RATE OF RETURN	\$ 1,806.5	\$ 1,860.0	\$ 1,913.6
NET OPERATING REVENUE	\$ 5,439.1	\$ 5,627.1	\$ 5,815.2

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CALIFORNIA WATER SERVICE CO.
DOMINGUEZ SO. BAY DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Dominguez	00020768	GAC Treatment - Sta. 275-01	\$ 4,793,000	2014	2009 GRC	\$ 707,741
	00020772	Well Head Treatment - Sta. 294-01	\$ 4,964,000	2014	2009 GRC	\$ 732,991
	00020775	Drill, Develop, and Equip New Well - Central Basin	\$ 6,617,000	2015	2009 GRC	\$ 977,075
	00020838	Construct and Equip Well	\$ 6,617,000	2015	2009 GRC	\$ 977,075
	00063837	Nitrification Control	\$ 200,000	2014	2012 GRC	\$ 29,532
	00076394	BP Carson Refinery Recycled Water Pipeline	\$ 4,000,000	2015	2012 GRC	\$ 590,645
	00079995	Cal Water RAMCAP Vulnerability Assessments	\$ 51,394	2015	2012 GRC	\$ 7,589
	00030287	Enhance Central Basin Water Rights	\$ 225,000	2014	2009 GRC	\$ 33,224
			<u>\$ 27,467,394</u>			<u>\$ 4,055,871</u>

APPENDIX H**Page 4**CALIFORNIA WATER SERVICE CO.
DOMINGUEZ SOUTH-BAY DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$ 54,731.6	\$ 56,532.3
EXPENSES		
PURCHASED WATER	\$ 27,359.9	\$ 27,359.9
PURCHASED POWER	\$ 1,210.2	\$ 1,210.2
PUMP TAXES	\$ 3,872.3	\$ 3,872.3
CHEMICALS	\$ 458.9	\$ 458.9
PAYROLL	\$ 3,607.9	\$ 3,607.9
OTHER O & M	\$ 2,981.2	\$ 2,981.2
OTHER A & G	\$ 2,925.5	\$ 2,925.5
G.O. PRORATIONS	\$ 2,103.9	\$ 2,103.9
PAYROLL TAXES	\$ 243.1	\$ 243.1
AD VALOREM TAXES	\$ 386.7	\$ 386.7
UNCOLLECTIBLES	\$ 128.8	\$ 133.1
FRANCHISE TAX & BUS LIC. FEES	\$ 0.5	\$ 0.5
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$ (17.9)	\$ (17.9)
INTEREST EXPENSE	\$ 1,976.6	\$ 1,976.6
TOTAL DEDUCTIONS	\$ 47,237.7	\$ 47,242.0
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$ 5,987.9	\$ 5,987.9
NET STATE TAXABLE INCOME	\$ 1,506.0	\$ 3,302.4
STATE CORP. FRANCHISE TAX @ 8.84%	\$ 133.1	\$ 291.9
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$ 4,558.5	\$ 4,558.5
STATE INCOME TAX	\$ 133.1	\$ 291.9
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$ 147.0	\$ 112.6
NET FEDERAL TAXABLE INCOME	\$ 2,655.2	\$ 4,327.3
FEDERAL INCOME TAX @ 35.00%	\$ 929.3	\$ 1,514.5
TOTAL FEDERAL INCOME TAX	\$ 929.3	\$ 1,514.5
TOTAL INCOME TAXES	\$ 1,062.4	\$ 1,806.5

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CALIFORNIA WATER SERVICE CO.
DOMINGUEZ SOUTH-BAY DISTRICT

Adopted Quantities

		2014	2015	
Number of Services by meter size	5/8 x 3/4	28,693	28,703	
	3/4	0	0	
	1	1,371	1,372	
	1 1/2	873	874	
	2	1,552	1,553	
	3	136	136	
	4	40	40	
	6	32	32	
	8	23	23	
	10	26	26	
	12	1	1	
	14	2	2	
	TOTAL		32,748	32,761

Metered Sales, KCcf		
All Water	15,856.5	15,864.5

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	28,653	28,664	4,077.3	4,078.9	11.9	11.9
BUSINESS	2,848	2,839	3,192.6	3,182.5	93.4	93.4
MULTIPLE FAMILY	761	771	1,257.8	1,274.3	137.7	137.7
INDUSTRIAL	157	156	4,541.5	4,541.5	2,410.5	2,426.0
PUBLIC AUTHORITY	294	297	617.1	617.1	174.9	173.2
OTHER	24	23	30.0	30.0	104.1	108.6
IRRIGATION	-	-	-	-	-	-
RECLAIMED	11	11	2,140.2	2,140.2	16,213.4	16,213.4
SUBTOTAL	32,748	32,761	15,856.5	15,864.5		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	1,152	1,160				
PUBLIC FIRE PROT	1	1				
TOTAL	33,901	33,922	15,856.5	15,864.5		
Unaccounted-for water	1.99%		322.0	322.1		
Total Production			16,178.4	16,186.6		

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CALIFORNIA WATER SERVICE CO.
DOMINGUEZ SOUTH-BAY DISTRICT

Adopted Quantities

2014 Test Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Recycled	Total
Month								
January	298.6	208.5	98.6	390.8	44.6	2.0	184.1	1,227.1
February	280.1	214.6	100.0	326.5	50.5	2.0	153.9	1,127.5
March	270.6	209.1	93.7	331.2	47.5	2.0	156.1	1,110.1
April	315.4	230.5	94.1	358.9	37.8	2.2	169.2	1,208.1
May	358.8	259.2	95.2	401.4	47.6	2.4	189.1	1,353.7
June	363.1	315.9	128.0	382.4	62.9	3.0	180.2	1,435.5
July	415.4	308.6	103.6	404.5	52.9	2.9	190.6	1,478.5
August	387.7	314.9	105.0	367.8	51.1	3.0	173.3	1,402.6
September	412.0	318.9	114.2	415.5	56.1	3.0	195.8	1,515.5
October	352.7	319.4	113.9	409.1	59.6	3.0	192.8	1,450.5
November	320.0	257.3	105.7	278.0	53.1	2.4	131.0	1,147.5
December	303.1	235.8	105.8	475.5	53.6	2.2	224.1	1,400.0
	<u>4,077.3</u>	<u>3,192.6</u>	<u>1,257.8</u>	<u>4,541.5</u>	<u>617.1</u>	<u>30.0</u>	<u>2,140.2</u>	<u>15,856.5</u>

APPENDIX H**Page 7**CALIFORNIA WATER SERVICE CO.
DOMINGUEZ SOUTH-BAY DISTRICT

Adopted Quantities

2014 Test Year

Production	Company	Purchases		Purchased	Pump Taxes	Purchased
Month	Wells (Kccf)	(Kccf)	Total (Kccf)	Water (In	(In \$1,000)	Power (In
				\$1,000)	(In \$1,000)	\$1,000)
January	512.9	780.7	1,293.6	\$ 2,137.6	\$ 321.1	\$ 96.8
February	463.1	680.5	1,143.6	\$ 1,863.2	\$ 289.9	\$ 85.5
March	454.4	734.3	1,188.7	\$ 2,010.5	\$ 284.5	\$ 88.9
April	543.3	772.7	1,316.0	\$ 2,115.7	\$ 340.1	\$ 98.4
May	529.6	891.8	1,421.4	\$ 2,441.6	\$ 331.6	\$ 106.3
June	549.1	892.3	1,441.5	\$ 2,443.1	\$ 343.8	\$ 107.8
July	515.5	991.0	1,506.5	\$ 2,713.3	\$ 322.7	\$ 112.7
August	532.0	943.7	1,475.7	\$ 2,583.7	\$ 333.0	\$ 110.4
September	509.7	988.2	1,497.9	\$ 2,705.5	\$ 319.1	\$ 112.0
October	545.4	824.9	1,370.3	\$ 2,258.5	\$ 341.5	\$ 102.5
November	544.1	775.2	1,319.4	\$ 2,122.5	\$ 340.7	\$ 98.7
December	486.4	717.5	1,203.9	\$ 1,964.5	\$ 304.5	\$ 90.1
	<u>6,185.5</u>	<u>9,992.9</u>	<u>16,178.5</u>	<u>\$ 27,359.9</u>	<u>\$ 3,872.3</u>	<u>\$ 1,210.2</u>

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DOMINGUEZ SOUTH-BAY DISTRICT
 Monthly Revenue Summary
 2014

TEST-YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 3,154.2	\$ 1,089.7	\$ 4,243.9
February	\$ 2,945.4	\$ 1,089.7	\$ 4,035.0
March	\$ 2,887.0	\$ 1,089.7	\$ 3,976.7
April	\$ 3,153.1	\$ 1,089.7	\$ 4,242.8
May	\$ 3,534.4	\$ 1,089.7	\$ 4,624.1
June	\$ 3,817.2	\$ 1,089.7	\$ 4,906.8
July	\$ 3,927.7	\$ 1,089.7	\$ 5,017.4
August	\$ 3,742.5	\$ 1,089.7	\$ 4,832.2
September	\$ 4,018.2	\$ 1,089.7	\$ 5,107.9
October	\$ 3,826.5	\$ 1,089.7	\$ 4,916.2
November	\$ 3,078.7	\$ 1,089.7	\$ 4,168.4
December	\$ 3,570.3	\$ 1,089.7	\$ 4,660.0
TOTAL	\$ 41,655.3	\$ 13,076.3	\$ 54,731.6

TEST-YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 3,294.0	\$ 965.2	\$ 4,259.2
February	\$ 2,649.9	\$ 965.2	\$ 3,615.0
March	\$ 3,636.1	\$ 965.2	\$ 4,601.3
April	\$ 3,307.7	\$ 965.2	\$ 4,272.9
May	\$ 3,547.8	\$ 916.1	\$ 4,463.8
June	\$ 4,163.0	\$ 965.2	\$ 5,128.1
July	\$ 4,410.2	\$ 965.2	\$ 5,375.3
August	\$ 4,393.8	\$ 965.2	\$ 5,358.9
September	\$ 4,293.8	\$ 965.2	\$ 5,259.0
October	\$ 4,200.3	\$ 965.2	\$ 5,165.5
November	\$ 3,674.0	\$ 965.2	\$ 4,639.2
December	\$ 3,428.9	\$ 965.2	\$ 4,394.1
TOTAL	\$ 44,999.6	\$ 11,532.7	\$ 56,532.3

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CALIFORNIA WATER SERVICE CO.
DOMINGUEZ SOUTH-BAY DISTRICT

Adopted Quantities

	<u>2014</u>
PURCHASED POWER	
SUPPLIER - SCE	
Total Production (kccf)	16,178.5
Kwh / ccf	various
Total calculated KWH	50,296,247
Unit Cost	\$ 0.0241
Power Cost	\$ 1,210,208.1
TOTAL PURCHASED POWER (in \$1,000)	\$ 1,210.2
PURCHASED WATER	
West Basin - Tier 1 (WP4D7)	16,610
West Basin - Tier 2	0
City of Torrance	1,000
Desalter	1,500
Transfer from Hermosa (From West Basin)	750
West Basin - Tier 1	18,371
West Basin - Tier 2	0
City of Torrance	854
Desalter	1,293
Transfer from Hermosa (From West Basin)	646
Recycled Water - Reverse Osmosis	\$ 4,075.1
Recycled Water - Nitrified	\$ 903.3
Recycled Water - Title 22	\$ 602.4
Recycled Water - Reverse Osmosis	\$ 4,629.4
Recycled Water - Nitrified	\$ 802.1
Recycled Water - Title 22	\$ 547.0
Capacity Charges @ \$6,000/cfs	\$ 286.6
City of Torrance Meter Charges	\$ 4.5
West Basin Water Service Charge	\$ 88.3
Known Leases - WP4D7	
Sativa	\$ -
Park Water Co.	\$ -
Cerritos	\$ 750.0
West Basin	\$ -
Known Leases (\$/AF)	
Sativa	\$ -
Park Water Co.	\$ 140.0
Cerritos	\$ 215.0
West Basin	\$ 80.0
Unpumped rights -- Central Basin	\$ 161.3
Unpumped rights -- West Basin	\$ -
TOTAL PURCHASED WATER COST (in \$1,000)	\$ 27,359.9

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CALIFORNIA WATER SERVICE CO.
 DOMINGUEZ SOUTH-BAY DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	6,186
ADOPTED CHEMICAL DOLLARS	\$458.9
ADOPTED \$ per KCCF	\$0.074190
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	14,200.0
UNIT COST - ACRE FEET	\$268
Service Charge	\$66,733
Pump Tax Expense	\$3,872,333.4
TOTAL PUMP TAX EXPENSE (in \$1,000)	\$3,872.3
UNCOLLECTABLES RATE	0.24%
FRANCHISE TAX RATE	0.00%
BUSINESS LICENSE FEE	\$0.50
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.66086

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CALIFORNIA WATER SERVICE CO.
DOMINGUEZ SOUTH-BAY DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

		NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.23538%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.76462%
	FRANCHISE TAX RATE	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%
	BUSINESS LICENSE RATE	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.23538%
6	1 - SUBTOTAL (100% - LINE 5)	99.76462%
7	CCFT (LINE 6 * 8.84%)	8.81919%
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	3.12941%
9	FIT (LINE 6 * 35 %)	30.73560%
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	39.79018%
11	NET AFTER TAXES (1 - LINE 9)	60.20982%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.66086

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.00236	0.46710
EQUITY	53.40%	With income Taxes	1.66086	0.88690
TOTAL	100.00%	Adj. Net to Gross:		1.35400

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California Water Service Company
Dominguez District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014					
Usage:	Present Bill	Proposed Bill	Change	Percent Change	Notes
Ccf					(1)
0	\$ 9.03	\$ 15.35	\$ 6.32	70.00%	
5	\$ 23.19	\$ 28.72	\$ 5.54	23.89%	
10	\$ 37.34	\$ 42.10	\$ 4.76	12.74%	(2)
12	\$ 43.25	\$ 47.68	\$ 4.43	10.25%	(3) (7)
20	\$ 69.32	\$ 72.32	\$ 2.99	4.32%	(4)
25	\$ 87.21	\$ 89.21	\$ 2.00	2.30%	
30	\$ 105.09	\$ 106.11	\$ 1.02	0.97%	
35	\$ 122.97	\$ 123.00	\$ 0.03	0.02%	
40	\$ 140.85	\$ 139.90	\$ -0.96	-0.68%	
45	\$ 158.74	\$ 156.79	\$ -1.94	-1.22%	
50	\$ 176.62	\$ 173.69	\$ -2.93	-1.66%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 2.8315	\$ 2.6752	\$ -0.16	-5.52%	
Tier 2	\$ 3.0699	\$ 2.9005	\$ -0.17	-5.52%	
Tier 3	\$ 3.5765	\$ 3.3790	\$ -0.20	-5.52%	
Service Charge:	\$ 9.03	\$ 15.35	\$ 6.32	70.00%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 10 Ccf
- (3) Monthly average usage of 12 Ccf
- (4) Typical summer monthly average usage of 20 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills
- (7) Dominguez rate change subsequently modified reducing customers' typical monthly proposed bills from \$47.96 to \$47.68 for 12 Ccf (as represented by Table 3 of the comparison filed with the Commission on April 25, 2014) per month

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CALIFORNIA WATER SERVICE CO.
EAST LOS ANGELES DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT		PROPOSED		ESTIMATED		ESTIMATED	
	RATES		RATES		RATES		RATES	
	2014	2014	2015	2016	2015	2016	2015	2016
OPERATING REVENUES	\$ 30,149.6	\$ 30,915.0	\$ 32,377.3	\$ 33,839.8				
% Increase		2.5%	4.7%	4.5%				
OPERATING EXPENSES								
PURCHASED WATER	\$ 7,697.5	\$ 7,697.5	\$ 7,700.8	\$ 7,704.1				
GROUNDWATER EXTRACTION CHARGES	\$ 2,150.0	\$ 2,150.0	\$ 2,150.9	\$ 2,151.8				
PURCHASED POWER	\$ 695.3	\$ 695.3	\$ 695.6	\$ 695.8				
PURCHASED CHEMICALS	\$ 268.3	\$ 268.3	\$ 271.2	\$ 274.1				
PAYROLL -- DISTRICT	\$ 3,046.5	\$ 3,046.5	\$ 3,078.7	\$ 3,111.3				
UNCOLLECTIBLES	\$ 68.7	\$ 70.4	\$ 71.1	\$ 71.9				
CONSERVATION	\$ 395.3	\$ 395.3	\$ 395.3	\$ 395.3				
OTHER OPERATION AND MAINTENANCE	\$ 1,589.5	\$ 1,589.5	\$ 1,606.5	\$ 1,623.6				
BENEFITS	\$ 2,159.6	\$ 2,159.6	\$ 2,182.4	\$ 2,204.6				
OTHER ADMIN AND GEN. EXP.	\$ 116.1	\$ 116.1	\$ 117.4	\$ 118.6				
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 18,186.8	\$ 18,188.5	\$ 18,269.8	\$ 18,351.1				
TAXES OTHER THAN INCOME								
AD VALOREM TAXES	\$ 521.6	\$ 521.6	\$ 608.4	\$ 695.1				
BUSINESS LICENSE FEES	\$ 3.8	\$ 3.8	\$ 3.8	\$ 3.8				
LOCAL FRANCHISE TAXES	\$ 458.1	\$ 469.7	\$ 469.9	\$ 470.1				
PAYROLL TAXES	\$ 225.2	\$ 225.2	\$ 227.6	\$ 230.0				
TOTAL GENERAL TAXES	\$ 1,208.8	\$ 1,220.4	\$ 1,309.7	\$ 1,399.1				
DEPRECIATION	\$ 1,800.7	\$ 1,800.7	\$ 2,050.9	\$ 2,301.0				
G.O. PRORATED EXPENSES:								
PAYROLL AND BENEFITS	\$ 2,358.0	\$ 2,358.0	\$ 2,383.0	\$ 2,408.2				
AD VALOREM, BUSINESS LICENSE, FRANCHISES	\$ 42.3	\$ 42.3	\$ 42.3	\$ 42.3				
PAYROLL TAXES	\$ 145.8	\$ 145.8	\$ 147.3	\$ 148.9				
OTHER PRORATED EXPENSES	\$ 1,577.9	\$ 1,577.9	\$ 1,594.7	\$ 1,611.7				
TOTAL G.O. PRORATED EXPENSES	\$ 4,124.0	\$ 4,124.0	\$ 4,167.3	\$ 4,211.1				
SUB -- TOTAL -- OPERATING EXPENSES	\$ 25,320.2	\$ 25,333.6	\$ 25,797.8	\$ 26,262.3				
TOTAL INCOME TAXES:	\$ 1,111.7	\$ 1,407.6	\$ 1,662.6	\$ 1,917.5				
TOTAL OPERATING EXPENSES	\$ 26,431.9	\$ 26,741.2	\$ 27,460.3	\$ 28,179.8				
NET OPERATING REVENUE	\$ 3,717.7	\$ 4,173.8	\$ 4,916.9	\$ 5,660.0				
DEPRECIATED RATE BASE	\$ 52,567.1	\$ 52,567.1	\$ 61,926.0	\$ 71,284.9				
RATE OF RETURN	7.07%	7.94%	7.94%	7.94%				

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CALIFORNIA WATER SERVICE CO.
EAST LOS ANGELES DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 98,265.0	\$ 107,870.4	\$ 117,475.8
WTD. AVG. DEPRECIATION RESERVE	\$ (35,084.8)	\$ (36,715.8)	\$ (38,346.7)
MATERIALS AND SUPPLIES	\$ 314.1	\$ 314.1	\$ 314.1
TANK PAINTING	\$ 787.2	\$ 1,665.0	\$ 2,542.8
WORKING CASH - LEAD - LAG	\$ 340.5	\$ 421.3	\$ 502.1
WORKING CASH - W / H EMPLOYEES	\$ (10.3)	\$ (10.3)	\$ (10.3)
ADVANCES FOR CONSTRUCTION	\$ (86.4)	\$ (78.7)	\$ (71.1)
CONTRIBUTIONS	\$ (8,787.7)	\$ (9,221.2)	\$ (9,654.7)
AMORTIZATION OF INTANG.	\$ (300.8)	\$ (344.4)	\$ (388.0)
DEFERRED TAXES	\$ (6,581.7)	\$ (6,169.2)	\$ (5,756.7)
UNAMORT. I.T.C.	\$ (85.3)	\$ (79.5)	\$ (73.7)
PRORATED G.O. RATE BASE	\$ 3,505.1	\$ 3,968.3	\$ 4,431.5
TAXES ON ADVANCES	\$ -	\$ -	\$ -
TAXES ON C.I.A.C.	\$ 292.2	\$ 306.0	\$ 319.8
WTG. AVG. RATE BASE	\$ 52,567.1	\$ 61,926.0	\$ 71,284.9
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 1,800.7	\$ 2,050.9	\$ 2,301.0
AD VALOREM TAXES	\$ 521.6	\$ 608.4	\$ 695.1
TOTAL INCOME TAXES AT AUTHORIZED	\$ 1,407.6	\$ 1,662.6	\$ 1,917.5
NET OPERATING REVENUE	\$ 4,173.8	\$ 4,916.9	\$ 5,660.0

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CALIFORNIA WATER SERVICE CO.
EAST LOS ANGELES DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
East Los Angeles	00016074	Construct, Develop and Equip New Well	\$ 8,240,000	2014	2007 GRC	\$ 1,195,600
	00020583	Drill, Develop and Equip New Well	\$ 1,943,782	2014	2009 GRC	\$ 282,037
	00020670	Construct Tank	\$ 3,777,023	2014	2009 GRC	\$ 548,035
	00020763	Construct Well with Treatment	\$ 2,400,000	2014	2009 GRC	\$ 348,233
	00030309	Enhance Central Basin Water Rights	\$ 90,660	2014	2009 GRC	\$ 13,154
	00057409	Purchase Property - Carob Way	\$ 452,136	2014	2009 GRC	\$ 65,604
	00058775	12" Main - New Well	\$ 1,570,593	2014	2009 GRC	\$ 227,888
	00079961	Cal Water RAMCAP Vulnerability Assessments	\$ 125,249	2015	2012 GRC	\$ 18,173
			<u>\$ 18,599,442</u>			<u>\$ 2,698,724</u>

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CALIFORNIA WATER SERVICE CO.
EAST LOS ANGELES DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES		PROPOSED RATES	
	<u>2014</u>		<u>2014</u>	
OPERATING REVENUE (PRESENT RATES)	\$	30,149.6	\$	30,915.0
EXPENSES				
PURCHASED WATER	\$	7,697.5	\$	7,697.5
PURCHASED POWER	\$	695.3	\$	695.3
PUMP TAXES	\$	2,150.0	\$	2,150.0
CHEMICALS	\$	268.3	\$	268.3
PAYROLL	\$	3,046.5	\$	3,046.5
OTHER O & M	\$	1,984.8	\$	1,984.8
OTHER A & G	\$	2,275.7	\$	2,275.7
G.O. PRORATIONS	\$	3,727.2	\$	3,727.2
PAYROLL TAXES	\$	225.2	\$	225.2
AD VALOREM TAXES	\$	521.6	\$	521.6
UNCOLLECTIBLES	\$	68.7	\$	70.4
FRANCHISE TAX & BUS LIC. FEES	\$	461.9	\$	473.5
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$	(13.5)	\$	(13.5)
INTEREST EXPENSE	\$	1,486.9	\$	1,486.9
TOTAL DEDUCTIONS	\$	24,596.1	\$	24,609.4
STATE INCOME TAX				
STATE TAX DEPRECIATION	\$	6,005.9	\$	6,005.9
NET STATE TAXABLE INCOME	\$	(452.3)	\$	299.7
STATE CORP. FRANCHISE TAX @ 8.84%	\$	(40.0)	\$	26.5
FEDERAL INCOME TAX				
FEDERAL TAX DEPRECIATION	\$	1,955.2	\$	1,955.2
STATE INCOME TAX	\$	(40.0)	\$	26.5
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$	195.8	\$	225.8
NET FEDERAL TAXABLE INCOME	\$	3,442.5	\$	4,098.0
FEDERAL INCOME TAX @ 35.00%	\$	1,204.9	\$	1,434.3
TOTAL FEDERAL INCOME TAX	\$	1,204.9	\$	1,434.3
ADJUSTMENT FOR REGULATORY LIABILITY	\$	(53.2)	\$	(53.2)
TOTAL INCOME TAXES	\$	1,111.7	\$	1,407.6

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**CALIFORNIA WATER SERVICE CO.
EAST LOS ANGELES DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	22,031	22,041
	3/4	0	0
	1	2,848	2,849
	1 1/2	351	351
	2	644	645
	3	110	110
	4	43	43
	6	25	25
	8	1	1
	10	3	3
	12	0	0
	14	0	0
TOTAL		26,056	26,068

Metered Sales, KCcf		
All Water	6,843.6	6,846.3

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	20,298	20,307	3,211.1	3,212.6	13.2	13.2
BUSINESS	4,815	4,818	2,052.6	2,053.9	35.5	35.5
MULTIPLE FAMILY	465	465	351.9	351.9	63.1	63.1
INDUSTRIAL	107	105	585.6	585.6	456.1	464.8
PUBLIC AUTHORITY	361	364	638.6	638.6	147.4	146.2
OTHER	10	9	3.8	3.8	31	35
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	26,056	26,068	6,843.6	6,846.3		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	631	637				
PUBLIC FIRE PROT	35	34				
TOTAL	26,722	26,739	6,843.6	6,846.3		
Unaccounted-for water	3.17%		224.0	224.0		
Total Production			7,067.6	7,070.4		

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**CALIFORNIA WATER SERVICE CO.
EAST LOS ANGELES DISTRICT**

Adopted Quantities

2014 Test Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	251.5	162.3	24.5	44.1	47.8	0.3	530.5
February	232.5	151.3	27.8	44.0	41.6	0.3	497.5
March	227.2	153.0	28.9	49.4	50.7	0.3	509.6
April	246.4	160.0	28.9	52.7	46.8	0.3	535.2
May	270.6	174.2	29.1	51.4	49.3	0.3	574.9
June	272.1	172.0	29.7	52.8	58.1	0.3	585.0
July	310.4	190.1	31.2	48.9	58.0	0.3	639.0
August	297.2	184.9	29.1	49.1	60.4	0.3	621.0
September	315.8	194.5	31.9	51.8	61.9	0.4	656.2
October	281.9	177.6	30.4	49.2	56.4	0.3	595.9
November	252.7	164.1	29.4	42.2	46.1	0.3	534.8
December	252.8	168.6	30.9	50.0	61.6	0.3	564.1
	3,211.1	2,052.6	351.9	585.6	638.6	3.8	6,843.6

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CALIFORNIA WATER SERVICE CO.
EAST LOS ANGELES DISTRICT

Adopted Quantities

2014 Test Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	289.3	270.6	559.9	\$ 574.4	\$ 180.8	\$ 55.1
February	252.6	239.5	492.2	\$ 508.4	\$ 157.8	\$ 48.4
March	262.8	289.0	551.8	\$ 613.4	\$ 164.2	\$ 54.3
April	259.9	302.4	562.4	\$ 642.0	\$ 162.4	\$ 55.3
May	272.6	336.2	608.9	\$ 713.7	\$ 170.3	\$ 59.9
June	269.4	334.7	604.1	\$ 710.5	\$ 168.3	\$ 59.4
July	270.7	370.8	641.5	\$ 787.0	\$ 169.1	\$ 63.1
August	276.9	370.3	647.3	\$ 786.1	\$ 173.0	\$ 63.7
September	309.9	331.3	641.2	\$ 703.3	\$ 193.6	\$ 63.1
October	328.8	281.6	610.3	\$ 597.6	\$ 205.4	\$ 60.0
November	317.1	257.7	574.8	\$ 547.0	\$ 198.1	\$ 56.5
December	331.2	242.2	573.3	\$ 514.0	\$ 206.9	\$ 56.4
	<u>3,441.2</u>	<u>3,626.3</u>	<u>7,067.6</u>	<u>\$ 7,697.5</u>	<u>\$ 2,150.0</u>	<u>\$ 695.3</u>

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CALIFORNIA WATER SERVICE CO.
EAST LOS ANGELES DISTRICT
Monthly Revenue Summary (In \$1,000)
2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 1,787.7	\$ 592.7	\$ 2,380.4
February	\$ 1,662.7	\$ 592.7	\$ 2,255.4
March	\$ 1,701.8	\$ 592.7	\$ 2,294.6
April	\$ 1,793.9	\$ 592.7	\$ 2,386.7
May	\$ 1,936.9	\$ 592.7	\$ 2,529.7
June	\$ 1,970.0	\$ 592.7	\$ 2,562.7
July	\$ 2,163.7	\$ 592.7	\$ 2,756.5
August	\$ 2,101.8	\$ 592.7	\$ 2,694.6
September	\$ 2,222.9	\$ 592.7	\$ 2,815.6
October	\$ 2,007.8	\$ 592.7	\$ 2,600.5
November	\$ 1,794.7	\$ 592.7	\$ 2,387.5
December	\$ 1,892.8	\$ 592.7	\$ 2,485.5
TOTAL	\$ 23,036.8	\$ 7,112.9	\$ 30,149.6

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 1,707.7	\$ 739.2	\$ 2,446.9
February	\$ 1,634.4	\$ 739.2	\$ 2,373.6
March	\$ 1,576.1	\$ 739.2	\$ 2,315.3
April	\$ 1,633.3	\$ 739.2	\$ 2,372.5
May	\$ 1,650.8	\$ 620.4	\$ 2,271.2
June	\$ 1,985.3	\$ 739.2	\$ 2,724.5
July	\$ 2,226.7	\$ 739.2	\$ 2,965.9
August	\$ 2,051.6	\$ 739.2	\$ 2,790.8
September	\$ 2,340.8	\$ 739.2	\$ 3,080.0
October	\$ 1,873.5	\$ 739.2	\$ 2,612.7
November	\$ 1,833.8	\$ 739.2	\$ 2,573.0
December	\$ 1,649.3	\$ 739.2	\$ 2,388.5
TOTAL	\$ 22,163.3	\$ 8,751.7	\$ 30,915.0

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CALIFORNIA WATER SERVICE CO.
EAST LOS ANGELES DISTRICT

Adopted Quantities

	<u>2014</u>
PURCHASED POWER	
SUPPLIER - SCE	
Total Production (kccf)	7,067.6
Kwh / ccf	various
Total calculated KWH	13,432,558
Unit Cost	\$ 0.0518
Power Cost	\$ 695,252.4
TOTAL PURCHASED POWER (In \$1,000)	\$ 695.3
PURCHASED WATER	
CENTRAL BASIN MUNICIPAL WATER DISTRICT	
PURCHASES - KCCF (TABLE 4-D)	3,626
- ACRE FEET (KCCF x 2.2957)	8,325
NON-INTERUPTIBLE CAL YR - ACRE FEET -- TIER 1 LIMIT 17300 A.F.	8,325
NON-INTERUPTIBLE CAL YR - ACRE FEET -- TIER 2	0
NON-INTERUPIBLE RATE/A.F.(WP5-B10a2) 1/1/07 RATES -- TIER 1	\$987
NON-INTERUPIBLE RATE/A.F.(WP5-B10a2) 1/1/07 RATES -- TIER 2	\$1,137
NON-INTERUPTIBLE QUANTITY CHARGES -- TIER 1	\$ 8,216,775.0
NON-INTERUPTIBLE QUANTITY CHARGES -- TIER 2	\$ -
TOTAL QUANTITY CHARGES	\$ 8,216,775.0
ADD METER CHARGES CHR.G. @ 3412 MONTH	\$ 40,950.0
ADD CBMWD CAPACITY RESERVATION CHARGES @ \$14,772 /Mo	\$ 114,750.0
Unpumped Rights Leased: Central Basin - Cerritos (WP4D7)	1,500
Cost per AF	\$ 210.0
Unpumped Rights Leased: Central Basin - Montebello Land & Water (WP4D7)	2,000
Cost per AF	\$ 180.0
CREDIT TO PURCHASED WATER FROM LEASING UNUSED WATER RIGHTS	\$ (675,000.0)
TOTAL PURCHASED WATER COST (In \$1,000)	\$ 7,697.5

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CALIFORNIA WATER SERVICE CO.
EAST LOS ANGELES DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	3,441
ADOPTED CHEMICAL DOLLARS	\$ 268.3
ADOPTED \$ per KCCF	\$ 0.077975
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	7,900.0
UNIT COST - ACRE FEET	\$ 268.0
TOTAL GROUNDWATER CHARGES	\$ 2,117,200.0
ANNUAL WATERMASTER SERVICE	\$ 32,838.8
TOTAL PUMP TAX EXPENSE (In \$1,000)	\$ 2,150.0
UNCOLLECTABLES RATE	0.23%
FRANCHISE TAX RATE	1.52%
BUSINESS LICENSE FEE	\$3.80
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.67801

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CALIFORNIA WATER SERVICE CO.
EAST LOS ANGELES DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

			NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.22770%	0.22770%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.77230%	99.77230%
	FRANCHISE TAX RATE	1.51947%	1.51947%
3	LOCAL FRANCHISE (% * LINE 2)	1.51601%	1.51601%
	BUSINESS LICENSE RATE	0.00000%	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	1.74371%	1.74371%
6	1 - SUBTOTAL (100% - LINE 5)	98.25629%	98.25629%
7	CCFT (LINE 6 * 8.84%)	8.68586%	
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	3.92512%	
9	FIT (LINE 6 * 35 %)	29.97586%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	40.40543%	1.74371%
11	NET AFTER TAXES (1 - LINE 9)	59.59457%	98.25629%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.67801	1.01775

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.01775	0.47427
EQUITY	53.40%	With income Taxes	1.67801	0.89605
TOTAL	100.00%	Adj. Net to Gros:		<u>1.37032</u>

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California Water Service Company
East Los Angeles District Bill Comparison**Typical Monthly Residential Bill for Metered Customers for 2014**

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 14.48	\$ 17.52	\$ 3.04	21.00%	
5	\$ 29.71	\$ 32.17	\$ 2.46	8.29%	
10	\$ 46.28	\$ 48.11	\$ 1.83	3.96%	
13	\$ 57.43	\$ 58.84	\$ 1.41	2.46%	(3)
16	\$ 68.58	\$ 69.57	\$ 0.99	1.44%	
19	\$ 79.73	\$ 80.29	\$ 0.57	0.71%	(4)
20	\$ 83.45	\$ 83.87	\$ 0.43	0.51%	
25	\$ 102.03	\$ 101.75	\$ -0.28	-0.27%	
30	\$ 120.61	\$ 119.63	\$ -0.98	-0.82%	
35	\$ 139.19	\$ 137.51	\$ -1.69	-1.21%	
40	\$ 157.78	\$ 155.38	\$ -2.39	-1.52%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 3.0463	\$ 2.9309	\$ -0.12	-3.79%	
Tier 2	\$ 3.7166	\$ 3.5757	\$ -0.14	-3.79%	
Tier 3	\$ 3.7166	\$ 3.5757	\$ -0.14	-3.79%	
Service Charge:	\$ 14.48	\$ 17.52	\$ 3.04	21.00%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 11 Ccf
- (3) Monthly average usage of 13 Ccf
- (4) Typical summer monthly average usage of 16 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX J

Page 1

CALIFORNIA WATER SERVICE CO.
HERMOSA REDONDOSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT		PROPOSED		ESTIMATED		ESTIMATED	
	RATES		RATES		RATES		RATES	
	2014	2014	2015	2016	2015	2016	2015	2016
OPERATING REVENUES	\$ 25,142.6	\$ 27,736.3	\$ 28,172.4	\$ 28,604.8				
% Increase		10.3%	1.6%	1.5%				
OPERATING EXPENSES								
PURCHASED WATER	\$ 11,178.3	\$ 11,178.3	\$ 11,214.8	\$ 11,251.5				
GROUNDWATER EXTRACTION CHARGES	\$ 517.1	\$ 517.1	\$ 518.8	\$ 520.5				
PURCHASED POWER	\$ 321.5	\$ 321.5	\$ 322.5	\$ 323.6				
PURCHASED CHEMICALS	\$ 129.0	\$ 129.0	\$ 130.7	\$ 132.5				
PAYROLL -- DISTRICT	\$ 2,194.0	\$ 2,194.0	\$ 2,223.5	\$ 2,253.4				
UNCOLLECTIBLES	\$ 25.6	\$ 28.2	\$ 28.6	\$ 28.9				
CONSERVATION	\$ 600.0	\$ 600.0	\$ 600.0	\$ 600.0				
OTHER OPERATION AND MAINTENANCE	\$ 1,044.0	\$ 1,044.0	\$ 1,058.2	\$ 1,072.5				
BENEFITS	\$ 1,588.5	\$ 1,588.5	\$ 1,609.9	\$ 1,626.2				
OTHER ADMIN AND GEN. EXP.	\$ 153.9	\$ 153.9	\$ 156.0	\$ 158.1				
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 17,752.0	\$ 17,754.6	\$ 17,863.1	\$ 17,967.2				
TAXES OTHER THAN INCOME								
AD VALOREM TAXES	\$ 339.7	\$ 339.7	\$ 368.3	\$ 396.9				
BUSINESS LICENSE FEES	\$ 27.6	\$ 27.6	\$ 27.7	\$ 27.8				
LOCAL FRANCHISE TAXES	\$ 11.8	\$ 13.0	\$ 13.1	\$ 13.1				
PAYROLL TAXES	\$ 182.9	\$ 182.9	\$ 185.4	\$ 187.9				
TOTAL GENERAL TAXES	\$ 562.0	\$ 563.2	\$ 594.5	\$ 625.7				
DEPRECIATION	\$ 1,951.9	\$ 1,951.9	\$ 2,014.3	\$ 2,076.7				
G.O. PRORATED EXPENSES:								
PAYROLL AND BENEFITS	\$ 1,953.5	\$ 1,953.5	\$ 1,979.8	\$ 2,006.4				
AD VALOREM, BUSINESS LICENSE, FRANCHISES	\$ 35.1	\$ 35.1	\$ 35.2	\$ 35.3				
PAYROLL TAXES	\$ 120.8	\$ 120.8	\$ 122.4	\$ 124.1				
OTHER PRORATED EXPENSES	\$ 1,307.2	\$ 1,307.2	\$ 1,324.9	\$ 1,342.8				
TOTAL G.O. PRORATED EXPENSES	\$ 3,416.6	\$ 3,416.6	\$ 3,462.3	\$ 3,508.6				
SUB -- TOTAL -- OPERATING EXPENSES	\$ 23,682.6	\$ 23,686.4	\$ 23,934.2	\$ 24,178.2				
TOTAL INCOME TAXES:	\$ 6.9	\$ 1,049.9	\$ 1,104.0	\$ 1,158.1				
TOTAL OPERATING EXPENSES	\$ 23,689.4	\$ 24,736.4	\$ 25,038.2	\$ 25,336.4				
NET OPERATING REVENUE	\$ 1,453.2	\$ 2,999.9	\$ 3,134.2	\$ 3,268.4				
DEPRECIATED RATE BASE	\$ 37,782.2	\$ 37,782.2	\$ 39,473.0	\$ 41,163.8				
RATE OF RETURN	3.85%	7.94%	7.94%	7.94%				

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CALIFORNIA WATER SERVICE CO.

HERMOSA REDONDO

ADOPTED RATE BASE

(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 73,110.8	\$ 76,596.4	\$ 80,081.9
WTD. AVG. DEPRECIATION RESERVE	\$ (28,295.3)	\$ (29,777.2)	\$ (31,259.1)
MATERIALS AND SUPPLIES	\$ 148.7	\$ 148.7	\$ 148.7
TANK PAINTING	\$ -	\$ -	\$ -
WORKING CASH - LEAD - LAG	\$ 354.7	\$ 365.4	\$ 376.0
WORKING CASH - W / H EMPLOYEES	\$ (8.5)	\$ (8.5)	\$ (8.5)
ADVANCES FOR CONSTRUCTION	\$ (297.5)	\$ (282.8)	\$ (268.2)
CONTRIBUTIONS	\$ (2,183.5)	\$ (2,246.7)	\$ (2,309.9)
AMORTIZATION OF INTANG.	\$ (164.5)	\$ (201.8)	\$ (239.2)
DEFERRED TAXES	\$ (8,127.0)	\$ (8,660.6)	\$ (9,194.2)
UNAMORT. I.T.C.	\$ (76.5)	\$ (71.6)	\$ (66.7)
PRORATED G.O. RATE BASE	\$ 2,903.9	\$ 3,287.5	\$ 3,671.1
PRORATED RANCHO DOMINGUEZ RATE BASE	\$ 250.0	\$ 149.9	\$ 49.9
TAXES ON ADVANCES	\$ 9.0	\$ 11.4	\$ 13.8
TAXES ON C.I.A.C.	\$ 157.8	\$ 163.0	\$ 168.1
WTG. AVG. RATE BASE	\$ 37,782.2	\$ 39,473.0	\$ 41,163.8
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 1,951.9	\$ 2,014.3	\$ 2,076.7
AD VALOREM TAXES	\$ 339.7	\$ 368.3	\$ 396.9
TOTAL INCOME TAXES AT AUTHORIZED RATE OF RETURN	\$ 1,049.9	\$ 1,104.0	\$ 1,158.1
NET OPERATING REVENUE	\$ 2,999.9	\$ 3,134.1	\$ 3,268.4

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CALIFORNIA WATER SERVICE CO.
HERMOSA REDONDO

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Hermosa	00051932	Enhance Central Basin Water Rights	\$ 90,000	2014	2009 GRC	\$ 13,098
Redondo	00064502	Blending Facility or Nano Filtration Facility - Sta. 8 Well 2	\$ 4,080,000	2014	2012 GRC	\$ 593,777
	00079974	Cal Water RAMCAP Vulnerability Assessments	\$ 72,770	2015	2012 GRC	\$ 10,591
			<u>\$ 4,242,770</u>			<u>\$ 617,466</u>

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CALIFORNIA WATER SERVICE CO.

HERMOSA REDONDO

INCOME TAX CALCULATION

(DOLLARS IN THOUSANDS)

		PRESENT RATES	PROPOSED RATES
		<u>2014</u>	<u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$	25,142.6	\$ 27,736.3
EXPENSES			
PURCHASED WATER	\$	11,178.3	\$ 11,178.3
PURCHASED POWER	\$	321.5	\$ 321.5
PUMP TAXES	\$	517.1	\$ 517.1
CHEMICALS	\$	129.0	\$ 129.0
PAYROLL	\$	2,194.0	\$ 2,194.0
OTHER O & M	\$	1,644.1	\$ 1,644.1
OTHER A & G	\$	1,742.5	\$ 1,742.5
G.O. PRORATIONS	\$	3,087.9	\$ 3,087.9
PAYROLL TAXES	\$	182.9	\$ 182.9
AD VALOREM TAXES	\$	339.7	\$ 339.7
UNCOLLECTIBLES	\$	25.6	\$ 28.2
FRANCHISE TAX & BUS LIC. FEES	\$	39.4	\$ 40.6
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$	213.1	\$ 213.1
INTEREST EXPENSE	\$	1,084.3	\$ 1,084.3
TOTAL DEDUCTIONS	\$	22,699.3	\$ 22,703.1
STATE INCOME TAX			
STATE TAX DEPRECIATION	\$	3,642.7	\$ 3,642.7
NET STATE TAXABLE INCOME	\$	(1,199.4)	\$ 1,390.4
STATE CORP. FRANCHISE TAX @ 8.84%	\$	(106.0)	\$ 122.9
FEDERAL INCOME TAX			
FEDERAL TAX DEPRECIATION	\$	2,116.4	\$ 2,116.4
STATE INCOME TAX	\$	(106.0)	\$ 122.9
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$	(15.5)	\$ 19.2
NET FEDERAL TAXABLE INCOME	\$	448.4	\$ 2,774.5
FEDERAL INCOME TAX @ 35.00%	\$	157.0	\$ 971.1
TOTAL FEDERAL INCOME TAX	\$	157.0	\$ 971.1
ADJUSTMENT FOR REGULATORY LIABILITY	\$	(44.1)	\$ (44.1)
TOTAL INCOME TAXES	\$	6.9	\$ 1,049.9

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**CALIFORNIA WATER SERVICE CO.
HERMOSA REDONDO DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	15,173	15,208
	3/4	0	0
	1	8,786	8,805
	1 1/2	1,426	1,430
	2	891	893
	3	95	95
	4	30	30
	6	12	12
	8	4	4
	10	0	0
	12	0	0
	14	0	0
TOTAL		26,417	26,477

Metered Sales, KCcf		
All Water	5,214.4	5,225.0

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	22,320	22,378	2,892.7	2,900.2	10.8	10.8
BUSINESS	1,841	1,836	636.8	635.1	28.8	28.8
MULTIPLE FAMILY	1,862	1,870	1,116.3	1,121.1	50.0	50.0
INDUSTRIAL	26	26	274.2	274.2	878.8	878.8
PUBLIC AUTHORITY	364	364	228.9	228.9	52.4	52.4
OTHER	4	3	2.5	2.5	52	69
IRRIGATION	-	-	-	-	-	-
RECLAIMED	24	25	63.1	63.1	219	210
SUBTOTAL	26,441	26,502	5,214.4	5,225.0		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	333	340				
PUBLIC FIRE PROT	38	41				
TOTAL	26,812	26,883	5,214.4	5,225.0		
Unaccounted-for water	4.12%		224.0	224.5		
Total Production			5,438.4	5,449.5		

APPENDIX J

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CALIFORNIA WATER SERVICE CO.
HERMOSA REDONDO DISTRICT

Adopted Quantities

2014 Calendar Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Recycled	Total
Month								
January	212.1	46.8	91.7	21.7	8.3	0.2	5.0	385.6
February	200.8	46.9	71.4	22.4	7.8	0.2	5.1	354.7
March	193.3	45.7	84.1	16.6	8.5	0.2	3.8	352.2
April	223.3	50.9	89.1	19.5	14.0	0.2	4.5	401.4
May	252.2	56.1	95.0	25.9	19.6	0.2	6.0	454.9
June	266.6	53.5	93.5	28.5	24.7	0.2	6.5	473.5
July	285.7	63.1	105.0	28.4	30.0	0.2	6.5	518.9
August	267.1	57.1	94.3	19.4	30.8	0.2	4.5	473.3
September	283.9	60.2	102.4	27.3	26.9	0.2	6.3	507.3
October	252.0	54.1	93.2	20.2	26.6	0.2	4.7	450.9
November	232.3	50.9	92.0	31.0	18.0	0.2	7.1	431.6
December	223.5	51.7	104.6	13.4	13.6	0.2	3.1	410.1
	<u>2,892.7</u>	<u>636.8</u>	<u>1,116.3</u>	<u>274.2</u>	<u>228.9</u>	<u>2.5</u>	<u>63.1</u>	<u>5,214.4</u>

APPENDIX J**Page 7**CALIFORNIA WATER SERVICE CO.
HERMOSA REDONDO DISTRICT

Adopted Quantities

2014 Calendar Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	46.0	349.8	395.8	\$ 859.6	\$ 26.7	\$ 23.4
February	51.6	298.3	349.8	\$ 732.9	\$ 30.0	\$ 20.7
March	66.6	357.7	424.4	\$ 879.0	\$ 38.8	\$ 25.1
April	69.1	377.5	446.5	\$ 927.5	\$ 40.2	\$ 26.4
May	73.4	420.4	493.8	\$ 1,032.9	\$ 42.7	\$ 29.2
June	80.5	432.8	513.2	\$ 1,063.4	\$ 46.8	\$ 30.3
July	94.4	424.4	518.9	\$ 1,042.9	\$ 54.9	\$ 30.7
August	95.0	435.4	530.4	\$ 1,069.9	\$ 55.2	\$ 31.4
September	89.9	410.6	500.5	\$ 1,008.8	\$ 52.3	\$ 29.6
October	78.3	376.5	454.8	\$ 925.0	\$ 45.5	\$ 26.9
November	72.2	344.8	417.0	\$ 847.4	\$ 42.0	\$ 24.7
December	72.3	321.1	393.3	\$ 788.9	\$ 42.0	\$ 23.2
	<u>889.2</u>	<u>4,549.2</u>	<u>5,438.4</u>	<u>\$ 11,178.3</u>	<u>\$ 517.1</u>	<u>\$ 321.5</u>

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CALIFORNIA WATER SERVICE CO.
HERMOSA REDONDO DISTRICT
Monthly Revenue Summary (In \$1,000)
2014

TEST-YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 1,416.1	\$ 488.3	\$ 1,904.4
February	\$ 1,298.6	\$ 488.3	\$ 1,786.9
March	\$ 1,292.8	\$ 488.3	\$ 1,781.1
April	\$ 1,478.7	\$ 488.3	\$ 1,967.0
May	\$ 1,683.4	\$ 488.3	\$ 2,171.7
June	\$ 1,752.3	\$ 488.3	\$ 2,240.6
July	\$ 1,932.1	\$ 488.3	\$ 2,420.4
August	\$ 1,761.3	\$ 488.3	\$ 2,249.6
September	\$ 1,887.7	\$ 488.3	\$ 2,376.0
October	\$ 1,672.5	\$ 488.3	\$ 2,160.8
November	\$ 1,588.1	\$ 488.3	\$ 2,076.3
December	\$ 1,519.6	\$ 488.3	\$ 2,007.9
TOTAL	\$ 19,283.1	\$ 5,859.5	\$ 25,142.6

TEST-YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 1,558.7	\$ 622.7	\$ 2,181.4
February	\$ 1,440.3	\$ 622.7	\$ 2,063.0
March	\$ 1,484.0	\$ 622.7	\$ 2,106.6
April	\$ 1,487.2	\$ 622.7	\$ 2,109.9
May	\$ 1,574.2	\$ 402.6	\$ 1,976.8
June	\$ 1,872.5	\$ 622.7	\$ 2,495.2
July	\$ 1,942.8	\$ 622.7	\$ 2,565.5
August	\$ 1,948.4	\$ 622.7	\$ 2,571.1
September	\$ 2,136.1	\$ 622.7	\$ 2,758.8
October	\$ 1,757.9	\$ 622.7	\$ 2,380.6
November	\$ 1,687.6	\$ 622.7	\$ 2,310.3
December	\$ 1,594.0	\$ 622.7	\$ 2,216.7
TOTAL	\$ 20,484.0	\$ 7,252.2	\$ 27,736.3

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CALIFORNIA WATER SERVICE CO.
HERMOSA REDONDO DISTRICT

Adopted Quantities

2014

PURCHASED POWER	
SUPPLIER - SCE	
Total Production (kccf)	5,438.4
Kwh / ccf	various
Total calculated KWH	2,932,743
Unit Cost	\$ 0.1096
Power Cost	\$ 321,452.5
TOTAL PURCHASED POWER (In \$1,000)	\$ 321.5
PURCHASED WATER	
West Basin - Tier 1	10,309
West Basin - Tier 2	0
West Basin - Tier 1	11,402
West Basin - Tier 2	0
Recycled Water	\$ 134.8
Recycled Water	\$ 122.4
West Basin Capacity Charges @ \$6,000/cfs	\$ 128.7
West Basin Water Service Charge	\$ 33.1
Standby Meter Charge	\$ 3.7
Transfer of Water Rights From P.V. to H.R.	\$ 134.5
Transfer of Water Rights from HR to DOM	\$ (645.8)
TOTAL PURCHASED WATER COST (In \$1,000)	\$ 11,178.3

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CALIFORNIA WATER SERVICE CO.
 HERMOSA REDONDO DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	889
ADOPTED CHEMICAL DOLLARS (adjusted for CBK share)	\$ 129.0
ADOPTED \$ per KCCF	\$ 0.14508
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	2,041.3
UNIT COST - ACRE FEET	\$244
ANNUAL WATERMASTER SERVICE	\$19,011
TOTAL PUMP TAX EXPENSE (In \$1,000)	\$517.1
UNCOLLECTABLES RATE	0.10%
FRANCHISE TAX RATE	0.05%
BUSINESS LICENSE FEE	\$27.60
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.90%
NET TO GROSS MULTIPLIER	1.67688

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CALIFORNIA WATER SERVICE CO.
HERMOSA REDONDO DISTRICT

**NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)**

2014

			NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.10178%	0.10178%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.89822%	99.89822%
	FRANCHISE TAX RATE	0.04696%	0.04696%
3	LOCAL FRANCHISE (% * LINE 2)	0.04691%	0.04691%
	BUSINESS LICENSE RATE	0.00000%	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.14869%	0.14869%
6	1 - SUBTOTAL (100% - LINE 5)	99.85131%	99.85131%
7	CCFT (LINE 6 * 8.84%)	8.82686%	
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	1.33943%	
9	FIT (LINE 6 * 35 %)	31.38976%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	40.36530%	0.14869%
11	NET AFTER TAXES (1 - LINE 9)	59.63470%	99.85131%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.67688	1.00149

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.00149	0.46669
EQUITY	53.40%	With income Taxes	1.67688	0.89545
TOTAL	100.00%	Adj. Net to Gross		1.36215

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California Water Service Company
Hermosa Redondo District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014					
Usage:	Present	Proposed	Change	Percent	Notes
Ccf	Bill	Bill		Change	(1)
0	\$ 9.02	\$ 11.54	\$ 2.52	28.00%	
5	\$ 26.08	\$ 29.48	\$ 3.40	13.05%	
10	\$ 43.14	\$ 47.41	\$ 4.28	9.92%	(2)
11	\$ 46.84	\$ 51.31	\$ 4.47	9.54%	(3)
13	\$ 54.24	\$ 59.09	\$ 4.85	8.94%	(4)
15	\$ 61.65	\$ 66.88	\$ 5.23	8.49%	
20	\$ 83.42	\$ 89.77	\$ 6.35	7.61%	
25	\$ 105.20	\$ 112.67	\$ 7.47	7.10%	
30	\$ 126.98	\$ 135.57	\$ 8.59	6.76%	
35	\$ 148.75	\$ 158.46	\$ 9.71	6.53%	
40	\$ 170.53	\$ 181.36	\$ 10.83	6.35%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 3.4118	\$ 3.5872	\$ 0.18	5.14%	
Tier 2	\$ 3.7021	\$ 3.8924	\$ 0.19	5.14%	
Tier 3	\$ 4.3554	\$ 4.5793	\$ 0.22	5.14%	
Service Charge:	\$ 9.02	\$ 11.54	\$ 2.52	28.00%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 10 Ccf
- (3) Monthly average usage of 11 Ccf
- (4) Typical summer monthly average usage of 13 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX K

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CALIFORNIA WATER SERVICE CO.
KERN RIVER VALLEY DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT		PROPOSED		ESTIMATED		ESTIMATED	
	RATES		RATES		RATES		RATES	
	2014	2014	2015	2016	2015	2016	2015	2016
OPERATING REVENUES	\$ 4,920.9	\$ 6,248.6	\$ 6,360.2	\$ 6,472.2				
% Increase		27.0%	1.8%	1.8%				
OPERATING EXPENSES								
PURCHASED WATER	\$ 24.2	\$ 24.2	\$ 24.2	\$ 24.2				
GROUNDWATER EXTRACTION CHARGES	\$ -	\$ -	\$ -	\$ -				
PURCHASED POWER	\$ 223.9	\$ 223.9	\$ 223.9	\$ 223.9				
PURCHASED CHEMICALS	\$ 30.7	\$ 30.7	\$ 31.0	\$ 31.3				
PAYROLL -- DISTRICT	\$ 708.3	\$ 708.3	\$ 715.5	\$ 722.8				
UNCOLLECTIBLES	\$ 30.9	\$ 39.2	\$ 39.6	\$ 40.0				
CONSERVATION	\$ 17.7	\$ 17.7	\$ 17.7	\$ 17.7				
OTHER OPERATION AND MAINTENANCE	\$ 813.4	\$ 813.4	\$ 821.7	\$ 830.1				
BENEFITS	\$ 453.0	\$ 453.0	\$ 457.6	\$ 462.2				
OTHER ADMIN AND GEN. EXP.	\$ 41.2	\$ 41.2	\$ 41.6	\$ 42.0				
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 2,343.3	\$ 2,351.6	\$ 2,372.9	\$ 2,394.3				
TAXES OTHER THAN INCOME								
AD VALOREM TAXES	\$ 196.4	\$ 196.4	\$ 197.4	\$ 198.4				
BUSINESS LICENSE FEES	\$ -	\$ -	\$ -	\$ -				
LOCAL FRANCHISE TAXES	\$ 39.6	\$ 50.2	\$ 50.2	\$ 50.2				
PAYROLL TAXES	\$ 51.5	\$ 51.5	\$ 52.0	\$ 52.5				
TOTAL GENERAL TAXES	\$ 287.5	\$ 298.1	\$ 299.6	\$ 301.1				
DEPRECIATION	\$ 879.3	\$ 879.3	\$ 914.2	\$ 949.2				
G.O. PRORATED EXPENSES:								
PAYROLL AND BENEFITS	\$ 473.1	\$ 473.1	\$ 477.9	\$ 482.8				
AD VALOREM, BUSINESS LICENSE, FRANCHISES	\$ 8.5	\$ 8.5	\$ 8.5	\$ 8.5				
PAYROLL TAXES	\$ 29.3	\$ 29.3	\$ 29.6	\$ 29.9				
OTHER PRORATED EXPENSES	\$ 218.2	\$ 218.2	\$ 220.4	\$ 222.7				
TOTAL G.O. PRORATED EXPENSES	\$ 729.1	\$ 729.1	\$ 736.4	\$ 743.8				
SUB -- TOTAL -- OPERATING EXPENSES	\$ 4,239.1	\$ 4,258.1	\$ 4,323.2	\$ 4,388.5				
TOTAL INCOME TAXES:	\$ 17.9	\$ 525.6	\$ 544.9	\$ 564.1				
TOTAL OPERATING EXPENSES	\$ 4,257.0	\$ 4,783.7	\$ 4,868.0	\$ 4,952.6				
NET OPERATING REVENUE	\$ 663.9	\$ 1,464.9	\$ 1,492.2	\$ 1,519.5				
DEPRECIATED RATE BASE	\$ 18,449.2	\$ 18,449.2	\$ 18,793.4	\$ 19,137.7				
RATE OF RETURN	3.60%	7.94%	7.94%	7.94%				

APPENDIX K**Page 2**CALIFORNIA WATER SERVICE CO.
KERN RIVER VALLEY DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 27,413.7	\$ 28,543.7	\$ 29,673.7
WTD. AVG. DEPRECIATION RESERVE	\$ (7,721.6)	\$ (8,594.9)	\$ (9,468.1)
MATERIALS AND SUPPLIES	\$ 9.8	\$ 9.8	\$ 9.8
TANK PAINTING	\$ 106.3	\$ 198.2	\$ 290.1
WORKING CASH - LEAD - LAG	\$ 278.5	\$ 281.8	\$ 285.1
WORKING CASH - W / H EMPLOYEES	\$ (2.1)	\$ (2.1)	\$ (2.1)
ADVANCES FOR CONSTRUCTION	\$ (16.2)	\$ (15.8)	\$ (15.4)
CONTRIBUTIONS	\$ (685.3)	\$ (708.7)	\$ (732.2)
AMORTIZATION OF INTANG.	\$ (40.5)	\$ (48.5)	\$ (56.4)
DEFERRED TAXES	\$ (1,638.7)	\$ (1,707.0)	\$ (1,775.4)
UNAMORT. I.T.C.	\$ (4.5)	\$ (4.0)	\$ (3.5)
PRORATED G.O. RATE BASE	\$ 703.4	\$ 796.3	\$ 889.2
TAXES ON ADVANCES	\$ -	\$ -	\$ -
TAXES ON C.I.A.C.	\$ 46.2	\$ 44.6	\$ 43.0
WTG. AVG. RATE BASE	\$ 18,449.2	\$ 18,793.4	\$ 19,137.7
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 879.3	\$ 914.2	\$ 949.2
AD VALOREM TAXES	\$ 196.4	\$ 197.4	\$ 198.4
TOTAL INCOME TAXES AT AUTHORIZED	\$ 525.6	\$ 544.9	\$ 564.1
NET OPERATING REVENUE	\$ 1,464.9	\$ 1,492.2	\$ 1,519.5

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CALIFORNIA WATER SERVICE CO.
 KERN RIVER VALLEY DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Kern River Valley	00066170	New Well - Lakeland	\$ 666,202	2015	2012 GRC	\$ 102,257
	00079962	Cal Water RAMCAP Vulnerability Assessments	\$ 141,984	2015	2012 GRC	\$ 21,794
			<u>\$ 808,186</u>			<u>\$ 124,051</u>

APPENDIX K**Page 4**CALIFORNIA WATER SERVICE CO.
KERN RIVER VALLEY DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$ 4,920.9	\$ 6,248.6
EXPENSES		
PURCHASED WATER	\$ 24.2	\$ 24.2
PURCHASED POWER	\$ 223.9	\$ 223.9
PUMP TAXES	\$ -	\$ -
CHEMICALS	\$ 30.7	\$ 30.7
PAYROLL	\$ 708.3	\$ 708.3
OTHER O & M	\$ 831.1	\$ 831.1
OTHER A & G	\$ 494.1	\$ 494.1
G.O. PRORATIONS	\$ 649.5	\$ 649.5
PAYROLL TAXES	\$ 51.5	\$ 51.5
AD VALOREM TAXES	\$ 196.4	\$ 196.4
UNCOLLECTIBLES	\$ 30.9	\$ 39.2
FRANCHISE TAX & BUS LIC. FEES	\$ 39.6	\$ 50.2
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$ (2.7)	\$ (2.7)
INTEREST EXPENSE	\$ 525.1	\$ 525.1
TOTAL DEDUCTIONS	\$ 3,802.6	\$ 3,821.6
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$ 1,204.9	\$ 1,204.9
NET STATE TAXABLE INCOME	\$ (86.6)	\$ 1,222.1
STATE CORP. FRANCHISE TAX @ 8.84%	\$ (7.7)	\$ 108.0
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$ 1,058.1	\$ 1,058.1
STATE INCOME TAX	\$ (7.7)	\$ 108.0
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$ (5.2)	\$ 67.7
NET FEDERAL TAXABLE INCOME	\$ 72.9	\$ 1,193.0
FEDERAL INCOME TAX @ 35.00%	\$ 25.5	\$ 417.6
INVESTMENT TAX CREDIT	\$ -	\$ -
TOTAL FEDERAL INCOME TAX	\$ 25.5	\$ 417.6
TOTAL INCOME TAXES	\$ 17.9	\$ 525.6

APPENDIX K

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**CALIFORNIA WATER SERVICE CO.
KERN RIVER VALLEY DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	4,156	4,156
	3/4	4	4
	1	18	18
	1 1/2	10	10
	2	10	10
	3	0	0
	4	0	0
	6	0	0
	8	0	0
	10	0	0
	12	0	0
	14	0	0
TOTAL		4,198	4,198

Metered Sales, KCcf		
All Water	358.2	358.2

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	4,071	4,071	323.6	323.6	6.6	6.6
BUSINESS	103	103	20.6	20.6	16.7	16.7
MULTIPLE FAMILY	7	7	4.6	4.6	54.3	54.3
INDUSTRIAL	-	-	-	-	0	0
PUBLIC AUTHORITY	17	17	9.4	9.4	45.9	45.9
OTHER	-	-	-	-	0	0
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	4,198	4,198	358.2	358.2		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	1	1				
PUBLIC FIRE PROT	-	-				
TOTAL	4,199	4,199	358.2	358.2		
Unaccounted-for water	12.00%		48.8	48.8		
Total Production			407.0	407.0		

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**CALIFORNIA WATER SERVICE CO.
KERN RIVER VALLEY DISTRICT**

Adopted Quantities

2014 Test Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	17.9	1.2	0.3	0.0	0.2	0.0	19.5
February	16.2	1.0	0.2	0.0	0.1	0.0	17.4
March	15.0	1.1	0.2	0.0	0.1	0.0	16.4
April	18.2	1.2	0.4	0.0	0.3	0.0	20.1
May	25.6	1.6	0.3	0.0	0.7	0.0	28.1
June	30.4	1.8	0.5	0.0	0.9	0.0	33.5
July	41.6	2.5	0.6	0.0	1.7	0.0	46.4
August	42.1	2.5	0.6	0.0	1.6	0.0	46.8
September	42.2	2.7	0.6	0.0	1.7	0.0	47.2
October	32.6	2.1	0.5	0.0	1.1	0.0	36.3
November	24.2	1.6	0.3	0.0	0.6	0.0	26.7
December	17.7	1.3	0.2	0.0	0.5	0.0	19.7
	323.6	20.6	4.6	0.0	9.4	0.0	358.2

APPENDIX K**Page 7**CALIFORNIA WATER SERVICE CO.
KERN RIVER VALLEY DISTRICT

Adopted Quantities

2014 Test Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	12.5	7.3	19.8	\$ 1.4	\$ -	\$ 10.9
February	13.9	4.8	18.7	\$ 0.9	\$ -	\$ 10.3
March	16.4	3.9	20.3	\$ 0.7	\$ -	\$ 11.2
April	18.8	8.2	27.0	\$ 1.5	\$ -	\$ 14.9
May	23.7	12.8	36.5	\$ 2.4	\$ -	\$ 20.1
June	30.9	14.7	45.6	\$ 2.7	\$ -	\$ 25.1
July	34.8	19.9	54.7	\$ 3.7	\$ -	\$ 30.1
August	33.5	18.7	52.2	\$ 3.5	\$ -	\$ 28.7
September	29.3	16.0	45.3	\$ 3.0	\$ -	\$ 24.9
October	25.9	11.1	37.0	\$ 2.0	\$ -	\$ 20.3
November	17.4	6.6	24.0	\$ 1.2	\$ -	\$ 13.2
December	19.2	6.8	26.0	\$ 1.3	\$ -	\$ 14.3
	<u>276.4</u>	<u>130.7</u>	<u>407.0</u>	<u>\$ 24.2</u>	<u>\$ -</u>	<u>\$ 223.9</u>

APPENDIX K**Page 8**

CALIFORNIA WATER SERVICE CO.
KERN RIVER VALLEY DISTRICT
Monthly Revenue Summary (In \$1,000)
2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 100.4	\$ 256.4	\$ 356.8
February	\$ 89.9	\$ 256.4	\$ 346.3
March	\$ 84.7	\$ 256.4	\$ 341.1
April	\$ 103.8	\$ 256.4	\$ 360.2
May	\$ 144.9	\$ 256.4	\$ 401.3
June	\$ 172.7	\$ 256.4	\$ 429.1
July	\$ 238.4	\$ 256.4	\$ 494.8
August	\$ 240.7	\$ 256.4	\$ 497.1
September	\$ 242.6	\$ 256.4	\$ 499.0
October	\$ 186.6	\$ 256.4	\$ 443.0
November	\$ 137.5	\$ 256.4	\$ 393.9
December	\$ 101.6	\$ 256.4	\$ 358.0
TOTAL	\$ 1,843.5	\$ 3,077.4	\$ 4,920.9

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 143.9	\$ 277.3	\$ 421.2
February	\$ 91.0	\$ 277.3	\$ 368.2
March	\$ 117.2	\$ 277.3	\$ 394.5
April	\$ 118.0	\$ 277.3	\$ 395.3
May	\$ 206.1	\$ 299.1	\$ 505.3
June	\$ 280.8	\$ 277.3	\$ 558.1
July	\$ 422.7	\$ 277.3	\$ 700.0
August	\$ 360.5	\$ 277.3	\$ 637.8
September	\$ 486.8	\$ 277.3	\$ 764.1
October	\$ 278.8	\$ 277.3	\$ 556.1
November	\$ 246.0	\$ 277.3	\$ 523.3
December	\$ 147.4	\$ 277.3	\$ 424.6
TOTAL	\$ 2,899.3	\$ 3,349.2	\$ 6,248.6

APPENDIX K

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CALIFORNIA WATER SERVICE CO.
KERN RIVER VALLEY DISTRICT

Adopted Quantities

2014

PURCHASED POWER		
SUPPLIER - SCE		
Total Production (kccf)		407.0
Kwh / ccf		7,124.7
Total calculated KWH		2,900,067.5
Unit Cost	\$	0.0772
Power Cost	\$	223,898.2
TOTAL PURCHASED POWER (In \$1,000)	\$	223.9
PURCHASED WATER		
PURCHASED WATER - ACRE FEET		300
UNIT COST PER ACRE FOOT	\$	80.7
TOTAL PURCHASED WATER COST (In \$1,000)	\$	24.2

APPENDIX K
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CALIFORNIA WATER SERVICE CO.
 KERN RIVER VALLEY DISTRICT

Adopted Quantities

2014

CHEMICALS

Total Production (kccf)		276
ADOPTED CHEMICAL DOLLARS	\$	30.7
ADOPTED \$ per KCCF	\$	0.111085

PUMP TAXES (WATER REPLENISHMENT DISTRICT)

WELL WATER PRODUCTION - ACRE FEET		0.0
UNIT COST - ACRE FEET	\$	-
TOTAL GROUNDWATER CHARGES	\$	-
ANNUAL WATERMASTER SERVICE	\$	-

TOTAL PUMP TAX EXPENSE \$ -

UNCOLLECTIBLES RATE	0.63%
FRANCHISE TAX RATE	0.80%
BUSINESS LICENSE FEE	\$0.00
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.65754

APPENDIX K
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CALIFORNIA WATER SERVICE CO.
KERN RIVER VALLEY DISTRICT
NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)
2014

		NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.62791%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.37209%
	FRANCHISE TAX RATE	0.80407%
3	LOCAL FRANCHISE (% * LINE 2)	0.79902%
	BUSINESS LICENSE RATE	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	1.42693%
6	1 - SUBTOTAL (100% - LINE 5)	98.57307%
7	CCFT (LINE 6 * 8.84%)	8.71386%
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	5.49093%
9	FIT (LINE 6 * 35 %)	29.52890%
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	39.66969%
11	NET AFTER TAXES (1 - LINE 9)	60.33031%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.65754
		1.01448

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.01448	0.47275
EQUITY	53.40%	With income Taxes	1.65754	0.88513
TOTAL	100.00%	Adj. Net to Gros:		<u>1.35787</u>

APPENDIX K**Page 12**

California Water Service Company
Kern River Valley District Bill Comparison w/ Applicable RSF Discounts

Typical Monthly Residential Bill for Metered Customers for 2014

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes
0	\$ 34.14	\$ 64.34	\$ 30.20	88.48%	(8)
5	\$ 59.87	\$ 86.94	\$ 27.07	45.21%	(2) (8) (9)
7	\$ 70.17	\$ 95.98	\$ 25.82	36.79%	(3) (8) (9)
10	\$ 85.61	\$ 109.54	\$ 23.93	27.96%	(4) (8) (9)
15	\$ 111.34	\$ 185.76	\$ 74.42	66.84%	(8)
20	\$ 137.08	\$ 226.24	\$ 89.16	65.04%	(8)
25	\$ 162.81	\$ 266.71	\$ 103.90	63.81%	(8)
30	\$ 188.55	\$ 307.18	\$ 118.63	62.92%	(8)
35	\$ 214.28	\$ 347.66	\$ 133.37	62.24%	(8)
40	\$ 240.02	\$ 388.13	\$ 148.11	61.71%	(8)
45	\$ 265.75	\$ 428.60	\$ 162.85	61.28%	(8)
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 5.1470	\$ 8.0947	\$ 2.95	57.27%	
Tier 2	\$ 5.1470	\$ 8.0947	\$ 2.95	57.27%	
Tier 3	\$ 5.1470	\$ 8.0947	\$ 2.95	57.27%	
Service Charge:	\$ 59.14	\$ 64.34	\$ 5.20	8.80%	(5) (6)
District Revenue Requirement Increase:				14.52%	(7)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 5 Ccf
- (3) Monthly average usage of 7 Ccf
- (4) Typical summer monthly average usage of 10 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills
- (7) Change in revenue requirement necessitating a change in rates so as to cover operating costs
- (8) RSF discount (\$25.00/month) reflected in present bill amount
- (9) Proposed bills reflect quantity rates having been reduced to \$4.52/Ccf (up to 10 Ccf) on account of RSF discounts

APPENDIX L

Page 1

CALIFORNIA WATER SERVICE CO.
KING CITY DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT		PROPOSED		ESTIMATED		ESTIMATED	
	RATES		RATES		RATES		RATES	
	2014	2014	2015	2016	2015	2016	2015	2016
OPERATING REVENUES	\$ 2,647.5	\$ 3,158.5	\$ 3,279.8	\$ 3,398.3				
% Increase		19.3%	3.8%	3.6%				
OPERATING EXPENSES								
PURCHASED WATER	\$ -	\$ -	\$ -	\$ -				
GROUNDWATER EXTRACTION CHARGES	\$ -	\$ -	\$ -	\$ -				
PURCHASED POWER	\$ 103.7	\$ 103.7	\$ 105.1	\$ 106.6				
PURCHASED CHEMICALS	\$ 56.1	\$ 56.1	\$ 57.5	\$ 58.8				
PAYROLL -- DISTRICT	\$ 343.7	\$ 343.7	\$ 352.0	\$ 360.5				
UNCOLLECTIBLES	\$ 23.4	\$ 27.9	\$ 28.6	\$ 28.9				
CONSERVATION	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3				
OTHER OPERATION AND MAINTENANCE	\$ 222.1	\$ 222.1	\$ 227.5	\$ 233.0				
BENEFITS	\$ 228.4	\$ 228.4	\$ 233.9	\$ 236.2				
OTHER ADMIN AND GEN. EXP.	\$ 83.3	\$ 83.3	\$ 85.3	\$ 87.3				
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 1,080.0	\$ 1,084.5	\$ 1,109.1	\$ 1,130.7				
TAXES OTHER THAN INCOME								
AD VALOREM TAXES	\$ 114.5	\$ 114.5	\$ 117.0	\$ 119.5				
BUSINESS LICENSE FEES	\$ -	\$ -	\$ -	\$ -				
LOCAL FRANCHISE TAXES	\$ 17.7	\$ 21.1	\$ 21.4	\$ 21.7				
PAYROLL TAXES	\$ 25.1	\$ 25.1	\$ 25.7	\$ 26.4				
TOTAL GENERAL TAXES	\$ 157.3	\$ 160.7	\$ 164.1	\$ 167.5				
DEPRECIATION	\$ 436.2	\$ 436.2	\$ 464.8	\$ 493.3				
G.O. PRORATED EXPENSES:								
PAYROLL AND BENEFITS	\$ 244.2	\$ 244.2	\$ 250.1	\$ 256.1				
AD VALOREM, BUSINESS LICENSE, FRANCHISES	\$ 4.4	\$ 4.4	\$ 4.5	\$ 4.5				
PAYROLL TAXES	\$ 15.1	\$ 15.1	\$ 15.5	\$ 15.8				
OTHER PRORATED EXPENSES	\$ 163.4	\$ 163.4	\$ 167.3	\$ 171.4				
TOTAL G.O. PRORATED EXPENSES	\$ 427.1	\$ 427.1	\$ 437.4	\$ 447.9				
SUB -- TOTAL -- OPERATING EXPENSES	\$ 2,100.6	\$ 2,108.5	\$ 2,175.3	\$ 2,239.3				
TOTAL INCOME TAXES:	\$ 91.7	\$ 282.2	\$ 302.5	\$ 322.7				
TOTAL OPERATING EXPENSES	\$ 2,192.3	\$ 2,390.8	\$ 2,477.8	\$ 2,562.1				
NET OPERATING REVENUE	\$ 455.2	\$ 767.7	\$ 802.0	\$ 836.3				
DEPRECIATED RATE BASE	\$ 9,668.9	\$ 9,668.9	\$ 10,100.7	\$ 10,532.5				
RATE OF RETURN	4.71%	7.94%	7.94%	7.94%				

APPENDIX L**Page 2**CALIFORNIA WATER SERVICE CO.
KING CITY DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 15,927.6	\$ 16,711.2	\$ 17,494.8
WTD. AVG. DEPRECIATION RESERVE	\$ (3,765.9)	\$ (4,111.4)	\$ (4,456.9)
MATERIALS AND SUPPLIES	\$ 40.0	\$ 40.0	\$ 40.0
TANK PAINTING	\$ -	\$ 150.7	\$ 301.5
WORKING CASH - LEAD - LAG	\$ 106.0	\$ 110.6	\$ 115.3
WORKING CASH - W / H EMPLOYEES	\$ (1.1)	\$ (1.1)	\$ (1.1)
ADVANCES FOR CONSTRUCTION	\$ (1,338.8)	\$ (1,323.4)	\$ (1,308.0)
CONTRIBUTIONS	\$ (445.3)	\$ (418.8)	\$ (392.3)
AMORTIZATION OF INTANG.	\$ (151.7)	\$ (187.4)	\$ (223.1)
DEFERRED TAXES	\$ (1,210.1)	\$ (1,342.2)	\$ (1,474.4)
UNAMORT. I.T.C.	\$ (7.9)	\$ (7.8)	\$ (7.7)
PRORATED G.O. RATE BASE	\$ 363.0	\$ 411.0	\$ 459.0
TAXES ON ADVANCES	\$ 143.0	\$ 61.2	\$ (20.7)
TAXES ON C.I.A.C.	\$ 10.1	\$ 8.1	\$ 6.1
WTG. AVG. RATE BASE	\$ 9,668.9	\$ 10,100.7	\$ 10,532.5
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 436.2	\$ 464.8	\$ 493.3
AD VALOREM TAXES	\$ 114.5	\$ 117.0	\$ 119.5
TOTAL INCOME TAXES AT AUTHORIZED	\$ 282.2	\$ 302.5	\$ 322.7
NET OPERATING REVENUE	\$ 767.7	\$ 802.0	\$ 836.3

APPENDIX L

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CALIFORNIA WATER SERVICE CO.
KING CITY DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
King City	00079966	Cal Water RAMCAP Vulnerability Assessments	\$ 55,152	2015	2012 GRC	\$ 8,345
			<u>\$ 55,152</u>			<u>\$ 8,345</u>

APPENDIX L**Page 4**CALIFORNIA WATER SERVICE CO.
KING CITY DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES		PROPOSED RATES	
	<u>2014</u>		<u>2014</u>	
OPERATING REVENUE (PRESENT RATES)	\$	2,647.5	\$	3,158.5
EXPENSES				
PURCHASED WATER	\$	-	\$	-
PURCHASED POWER	\$	103.7	\$	103.7
PUMP TAXES	\$	-	\$	-
CHEMICALS	\$	56.1	\$	56.1
PAYROLL	\$	343.7	\$	343.7
OTHER O & M	\$	241.4	\$	241.4
OTHER A & G	\$	311.6	\$	311.6
G.O. PRORATIONS	\$	386.0	\$	386.0
PAYROLL TAXES	\$	25.1	\$	25.1
AD VALOREM TAXES	\$	114.5	\$	114.5
UNCOLLECTIBLES	\$	23.4	\$	27.9
FRANCHISE TAX & BUS LIC. FEES	\$	17.7	\$	21.1
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$	(13.1)	\$	(13.1)
INTEREST EXPENSE	\$	276.9	\$	276.9
TOTAL DEDUCTIONS	\$	1,887.1	\$	1,895.1
STATE INCOME TAX				
STATE TAX DEPRECIATION	\$	947.7	\$	947.7
NET STATE TAXABLE INCOME	\$	(187.3)	\$	315.7
STATE CORP. FRANCHISE TAX @ 8.84%	\$	(16.6)	\$	27.9
FEDERAL INCOME TAX				
FEDERAL TAX DEPRECIATION	\$	464.4	\$	464.4
STATE INCOME TAX	\$	(16.6)	\$	27.9
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$	(12.5)	\$	28.8
NET FEDERAL TAXABLE INCOME	\$	325.1	\$	742.3
FEDERAL INCOME TAX @ 35.00%	\$	113.8	\$	259.8
TOTAL FEDERAL INCOME TAX	\$	113.8	\$	259.8
ADJUSTMENT FOR REGULATORY LIABILITY	\$	(5.5)	\$	(5.5)
TOTAL INCOME TAXES	\$	91.7	\$	282.2

APPENDIX L

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**CALIFORNIA WATER SERVICE CO.
KING CITY DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	1,834	1,855
	3/4	3	3
	1	586	593
	1 1/2	46	48
	2	96	99
	3	13	13
	4	13	13
	6	2	2
	8	0	0
	10	0	0
	12	0	0
	14	0	0
TOTAL		2,594	2,626

Metered Sales, KCcf		
All Water	714.0	723.1

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	2,138	2,161	341.0	344.7	13.3	13.3
BUSINESS	329	332	226.8	228.8	57.4	57.4
MULTIPLE FAMILY	34	37	37.4	40.7	91.6	91.6
INDUSTRIAL	19	19	32.4	32.4	141.9	141.9
PUBLIC AUTHORITY	68	71	70.5	70.5	86.4	82.7
OTHER	6	6	6.0	6.0	84	84
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	2,594	2,626	714.0	723.1		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	44	44				
PUBLIC FIRE PROT	3	3				
TOTAL	2,641	2,673	714.0	723.1		
Unaccounted-for water			57.2	58.0		
			7.42%			
Total Production			771.3	781.0		

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CALIFORNIA WATER SERVICE CO.
KING CITY DISTRICT

Adopted Quantities

2014 TEST YEAR

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	19.8	14.0	2.6	1.1	1.4	0.4	39.2
February	20.1	13.5	2.7	1.4	2.3	0.4	40.4
March	19.5	14.7	2.8	1.3	2.2	0.4	40.8
April	24.1	16.0	3.0	1.8	3.6	0.4	48.8
May	31.1	20.4	3.1	2.3	5.9	0.5	63.4
June	34.4	20.8	3.5	2.3	7.8	0.6	69.4
July	39.9	23.5	4.0	3.3	9.2	0.6	80.5
August	36.9	22.6	3.1	2.7	12.3	0.6	78.2
September	37.1	23.1	3.8	3.5	8.3	0.6	76.5
October	32.0	23.1	3.3	5.3	10.1	0.6	74.3
November	24.1	18.1	2.9	5.0	4.8	0.5	55.4
December	22.0	17.0	2.8	2.3	2.6	0.5	47.0
	341.0	226.8	37.4	32.4	70.5	6.0	714.0

APPENDIX L

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**CALIFORNIA WATER SERVICE CO.
KING CITY DISTRICT**

Adopted Quantities

2014 TEST YEAR

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	45.1	0.0	45.1	\$ -	\$ -	\$ 6.1
February	40.1	0.0	40.1	\$ -	\$ -	\$ 5.4
March	50.5	0.0	50.5	\$ -	\$ -	\$ 6.8
April	60.6	0.0	60.6	\$ -	\$ -	\$ 8.2
May	76.4	0.0	76.4	\$ -	\$ -	\$ 10.3
June	79.5	0.0	79.5	\$ -	\$ -	\$ 10.7
July	86.7	0.0	86.7	\$ -	\$ -	\$ 11.7
August	85.0	0.0	85.0	\$ -	\$ -	\$ 11.4
September	80.1	0.0	80.1	\$ -	\$ -	\$ 10.8
October	68.2	0.0	68.2	\$ -	\$ -	\$ 9.2
November	52.7	0.0	52.7	\$ -	\$ -	\$ 7.1
December	46.1	0.0	46.1	\$ -	\$ -	\$ 6.2
	<u>771.0</u>	<u>0.0</u>	<u>771.0</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103.7</u>

APPENDIX L**Page 8**

CALIFORNIA WATER SERVICE CO.
KING CITY DISTRICT
Monthly Revenue Summary (In \$1,000)
2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 76.7	\$ 100.9	\$ 177.6
February	\$ 78.7	\$ 100.9	\$ 179.6
March	\$ 79.8	\$ 100.9	\$ 180.6
April	\$ 96.4	\$ 100.9	\$ 197.3
May	\$ 128.9	\$ 100.9	\$ 229.8
June	\$ 141.0	\$ 100.9	\$ 241.9
July	\$ 164.2	\$ 100.9	\$ 265.1
August	\$ 159.5	\$ 100.9	\$ 260.4
September	\$ 155.5	\$ 100.9	\$ 256.4
October	\$ 151.6	\$ 100.9	\$ 252.5
November	\$ 111.7	\$ 100.9	\$ 212.6
December	\$ 93.1	\$ 100.9	\$ 193.9
TOTAL	\$ 1,437.0	\$ 1,210.5	\$ 2,647.5

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 116.6	\$ 99.4	\$ 216.0
February	\$ 112.6	\$ 99.4	\$ 212.0
March	\$ 121.1	\$ 99.4	\$ 220.5
April	\$ 138.9	\$ 99.4	\$ 238.3
May	\$ 163.2	\$ 67.1	\$ 230.3
June	\$ 210.2	\$ 99.4	\$ 309.6
July	\$ 221.9	\$ 99.4	\$ 321.3
August	\$ 205.6	\$ 99.4	\$ 305.0
September	\$ 222.8	\$ 99.4	\$ 322.2
October	\$ 188.3	\$ 99.4	\$ 287.7
November	\$ 160.6	\$ 99.4	\$ 260.0
December	\$ 136.2	\$ 99.4	\$ 235.6
TOTAL	\$ 1,998.0	\$ 1,160.5	\$ 3,158.5

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CALIFORNIA WATER SERVICE CO.
KING CITY DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)		771.0
Kwh / ccf		712.2
Total calculated KWH		549,120.0
Unit Cost	\$	0.189
Power Cost	\$	103,705.3
TOTAL PURCHASED POWER (In \$1,000)	\$	103.7

PURCHASED WATER \$ -

TOTAL PURCHASED WATER COST \$ -

APPENDIX L
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CALIFORNIA WATER SERVICE CO.
 KING CITY DISTRICT
 Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	771
ADOPTED CHEMICAL DOLLARS (adjusted for CBK share)	\$ 56.1
ADOPTED \$ per KCCF	\$ 0.072763
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$ -
TOTAL GROUNDWATER CHARGES	\$ -
ANNUAL WATERMASTER SERVICE	\$ -
TOTAL PUMP TAX EXPENSE	\$ -
UNCOLLECTABLES RATE	0.88%
FRANCHISE TAX RATE	0.67%
BUSINESS LICENSE FEE	\$0.00
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.63494

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CALIFORNIA WATER SERVICE CO.
KING CITY DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

		NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.88432%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.11568%
	FRANCHISE TAX RATE	0.66852%
3	LOCAL FRANCHISE (% * LINE 2)	0.66261%
	BUSINESS LICENSE RATE	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	1.54692%
6	1 - SUBTOTAL (100% - LINE 5)	98.45308%
7	CCFT (LINE 6 * 8.84%)	8.70325%
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	8.07748%
9	FIT (LINE 6 * 35 %)	28.58532%
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	38.83550%
11	NET AFTER TAXES (1 - LINE 9)	61.16450%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.63494
		1.01571

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.01571	0.47332
EQUITY	53.40%	With income Taxes	1.63494	0.87306
TOTAL	100.00%	Adj. Net to Gross:		1.34638

APPENDIX L**Page 12**California Water Service Company
King City District Bill Comparison**Typical Monthly Residential Bill for Metered Customers for 2014**

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes
0	\$ 20.99	\$ 20.11	\$ -0.88	-4.20%	(1)
5	\$ 30.04	\$ 32.69	\$ 2.65	8.83%	
10	\$ 39.09	\$ 45.27	\$ 6.19	15.82%	(2)
13	\$ 44.87	\$ 53.31	\$ 8.44	18.81%	(3)
15	\$ 48.84	\$ 58.83	\$ 9.99	20.46%	
19	\$ 56.78	\$ 69.87	\$ 13.09	23.06%	(4)
20	\$ 58.77	\$ 72.63	\$ 13.87	23.60%	
25	\$ 70.10	\$ 88.39	\$ 18.29	26.09%	
30	\$ 81.78	\$ 104.62	\$ 22.85	27.94%	
35	\$ 93.45	\$ 120.86	\$ 27.41	29.33%	
40	\$ 105.13	\$ 137.10	\$ 31.97	30.41%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 1.8102	\$ 2.5169	\$ 0.71	39.04%	
Tier 2	\$ 1.9854	\$ 2.7604	\$ 0.78	39.04%	
Tier 3	\$ 2.3358	\$ 3.2476	\$ 0.91	39.04%	
Service Charge:	\$ 20.99	\$ 20.11	\$ -0.88	-4.20%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 10 Ccf
- (3) Monthly average usage of 13 Ccf
- (4) Typical summer monthly average usage of 19 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX M

Page 1

CALIFORNIA WATER SERVICE CO.
LIVERMORE DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT	PROPOSED	ESTIMATED	ESTIMATED
	RATES	RATES	RATES	RATES
	2014	2014	2015	2016
OPERATING REVENUES	\$ 18,275.5	\$ 19,491.3	\$ 19,887.5	\$ 20,282.8
% Increase		6.7%	2.0%	2.0%
OPERATING EXPENSES				
PURCHASED WATER	\$ 7,109.7	\$ 7,109.7	\$ 7,125.4	\$ 7,141.1
GROUNDWATER EXTRACTION CHARGES	\$ -	\$ -	\$ -	\$ -
PURCHASED POWER	\$ 555.6	\$ 555.6	\$ 556.8	\$ 558.0
PURCHASED CHEMICALS	\$ 94.9	\$ 94.9	\$ 96.1	\$ 97.3
PAYROLL -- DISTRICT	\$ 1,155.1	\$ 1,155.1	\$ 1,169.4	\$ 1,183.9
UNCOLLECTIBLES	\$ 32.8	\$ 35.0	\$ 35.5	\$ 35.8
CONSERVATION	\$ 381.4	\$ 381.4	\$ 381.4	\$ 381.4
OTHER OPERATION AND MAINTENANCE	\$ 1,032.2	\$ 1,032.2	\$ 1,045.1	\$ 1,058.1
BENEFITS	\$ 770.4	\$ 770.4	\$ 779.9	\$ 787.8
OTHER ADMIN AND GEN. EXP.	\$ (19.8)	\$ (19.8)	\$ (20.0)	\$ (20.3)
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 11,112.4	\$ 11,114.7	\$ 11,169.6	\$ 11,223.3
TAXES OTHER THAN INCOME				
AD VALOREM TAXES	\$ 332.9	\$ 332.9	\$ 364.5	\$ 396.1
BUSINESS LICENSE FEES	\$ 171.0	\$ 182.4	\$ 182.8	\$ 183.2
LOCAL FRANCHISE TAXES	\$ -	\$ -	\$ -	\$ -
PAYROLL TAXES	\$ 88.4	\$ 88.4	\$ 89.5	\$ 90.6
TOTAL GENERAL TAXES	\$ 592.3	\$ 603.7	\$ 636.8	\$ 669.9
DEPRECIATION	\$ 1,991.9	\$ 1,991.9	\$ 2,042.3	\$ 2,092.6
G.O. PRORATED EXPENSES:				
PAYROLL AND BENEFITS	\$ 1,339.3	\$ 1,339.3	\$ 1,355.9	\$ 1,372.7
AD VALOREM, BUSINESS LICENSE, FRANCHISES	\$ 24.0	\$ 24.0	\$ 24.1	\$ 24.1
PAYROLL TAXES	\$ 82.8	\$ 82.8	\$ 83.8	\$ 84.9
OTHER PRORATED EXPENSES	\$ 896.2	\$ 896.2	\$ 907.4	\$ 918.7
TOTAL G.O. PRORATED EXPENSES	\$ 2,342.3	\$ 2,342.3	\$ 2,371.1	\$ 2,400.3
SUB -- TOTAL -- OPERATING EXPENSES	\$ 16,038.9	\$ 16,052.5	\$ 16,219.8	\$ 16,386.1
TOTAL INCOME TAXES:	\$ 484.2	\$ 973.0	\$ 1,095.9	\$ 1,218.7
TOTAL OPERATING EXPENSES	\$ 16,523.2	\$ 17,025.6	\$ 17,315.7	\$ 17,604.9
NET OPERATING REVENUE	\$ 1,752.4	\$ 2,465.7	\$ 2,571.8	\$ 2,677.9
DEPRECIATED RATE BASE	\$ 31,054.2	\$ 31,054.2	\$ 32,390.7	\$ 33,727.2
RATE OF RETURN	5.64%	7.94%	7.94%	7.94%

APPENDIX M

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CALIFORNIA WATER SERVICE CO.
LIVERMORE DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 69,144.7	\$ 72,596.0	\$ 76,047.3
WTD. AVG. DEPRECIATION RESERVE	\$ (22,238.0)	\$ (24,001.3)	\$ (25,764.6)
MATERIALS AND SUPPLIES	\$ 100.6	\$ 100.6	\$ 100.6
TANK PAINTING	\$ 377.4	\$ 339.6	\$ 301.9
WORKING CASH - LEAD - LAG	\$ 680.8	\$ 725.4	\$ 770.0
WORKING CASH - W / H EMPLOYEES	\$ (5.8)	\$ (5.8)	\$ (5.8)
ADVANCES FOR CONSTRUCTION	\$ (9,190.6)	\$ (9,244.5)	\$ (9,298.4)
CONTRIBUTIONS	\$ (3,554.3)	\$ (3,693.7)	\$ (3,833.2)
AMORTIZATION OF INTANG.	\$ (97.2)	\$ (113.3)	\$ (129.5)
DEFERRED TAXES	\$ (6,942.9)	\$ (7,229.7)	\$ (7,516.6)
UNAMORT. I.T.C.	\$ (88.6)	\$ (87.1)	\$ (85.7)
PRORATED G.O. RATE BASE	\$ 1,990.8	\$ 2,253.9	\$ 2,517.0
TAXES ON ADVANCES	\$ 674.1	\$ 549.6	\$ 425.1
TAXES ON C.I.A.C.	\$ 203.0	\$ 201.0	\$ 199.0
WTG. AVG. RATE BASE	\$ 31,054.2	\$ 32,390.7	\$ 33,727.2
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 1,991.9	\$ 2,042.3	\$ 2,092.6
AD VALOREM TAXES	\$ 332.9	\$ 364.5	\$ 396.1
TOTAL INCOME TAXES AT AUTHORIZED	\$ 973.0	\$ 1,095.9	\$ 1,218.7
NET OPERATING REVENUE	\$ 2,465.7	\$ 2,571.8	\$ 2,677.9

APPENDIX M

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CALIFORNIA WATER SERVICE CO.
LIVERMORE DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Livermore	00079953	Cal Water RAMCAP Vulnerability Assessments	\$ 105,713	2015	2012 GRC	\$ 16,320
			<u>\$ 105,713</u>			<u>\$ 16,320</u>

APPENDIX M**Page 4**CALIFORNIA WATER SERVICE CO.
LIVERMORE DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE	\$ 18,275.5	\$ 19,491.3
EXPENSES		
PURCHASED WATER	\$ 7,109.7	\$ 7,109.7
PURCHASED POWER	\$ 555.6	\$ 555.6
PUMP TAXES	\$ -	\$ -
CHEMICALS	\$ 94.9	\$ 94.9
PAYROLL	\$ 1,155.1	\$ 1,155.1
OTHER O & M	\$ 1,413.7	\$ 1,413.7
OTHER A & G	\$ 750.6	\$ 750.6
G.O. PRORATIONS	\$ 2,116.9	\$ 2,116.9
PAYROLL TAXES	\$ 88.4	\$ 88.4
AD VALOREM TAXES	\$ 332.9	\$ 332.9
UNCOLLECTIBLES	\$ 32.8	\$ 35.0
FRANCHISE TAX & BUS LIC. FEES	\$ 171.0	\$ 182.4
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$ (47.7)	\$ (47.7)
INTEREST EXPENSE	\$ 869.5	\$ 869.5
TOTAL DEDUCTIONS	\$ 14,643.4	\$ 14,657.0
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$ 3,747.0	\$ 3,747.0
NET STATE TAXABLE INCOME	\$ (114.9)	\$ 1,087.2
STATE CORP. FRANCHISE TAX @ 8.84%	\$ (10.2)	\$ 96.1
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$ 2,143.4	\$ 2,143.4
STATE INCOME TAX	\$ (10.2)	\$ 96.1
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$ (0.0)	\$ 2.9
NET FEDERAL TAXABLE INCOME	\$ 1,498.9	\$ 2,591.8
FEDERAL INCOME TAX @ 35.00%	\$ 524.6	\$ 907.1
TOTAL FEDERAL INCOME TAX	\$ 524.6	\$ 907.1
ADJUSTMENT FOR REGULATORY LIABILITY	\$ (30.2)	\$ (30.2)
TOTAL INCOME TAXES	\$ 484.2	\$ 973.0

APPENDIX M

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**CALIFORNIA WATER SERVICE CO.
LIVERMORE DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	12,760	12,783
	3/4	16	16
	1	2,740	2,749
	1 1/2	2,245	2,246
	2	206	206
	3	47	47
	4	14	14
	6	4	4
	8	1	1
	10	0	0
	12	0	0
	14	0	0
TOTAL		18,033	18,065

Metered Sales, KCcf		
All Water	4,359.9	4,371.7

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	16,679	16,710	3,057.3	3,062.9	15.3	15.3
BUSINESS	1,021	1,021	631.9	631.9	51.6	51.6
MULTIPLE FAMILY	87	89	266.7	272.8	255.5	255.5
INDUSTRIAL	-	-	-	-	0	0
PUBLIC AUTHORITY	236	237	400.1	400.1	141.3	140.7
OTHER	10	8	3.9	3.9	33	41
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	18,033	18,065	4,359.9	4,371.7		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	359	363				
PUBLIC FIRE PROT	42	42				
TOTAL	18,434	18,470	4,359.9	4,371.7		
Unaccounted-for water	4.67%		213.6	214.2		
Total Production			4,573.5	4,585.9		

APPENDIX M

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CALIFORNIA WATER SERVICE CO.
LIVERMORE DISTRICT

Adopted Quantities

2014 Calendar Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	138.2	29.6	16.3	0.0	7.0	0.2	191.3
February	131.0	29.9	16.5	0.0	6.2	0.2	183.8
March	121.9	29.5	16.0	0.0	7.5	0.2	175.1
April	169.7	37.3	17.5	0.0	12.5	0.2	237.2
May	259.7	53.7	21.6	0.0	23.3	0.3	358.7
June	315.0	62.7	23.4	0.0	66.8	0.4	468.3
July	413.3	77.2	27.2	0.0	56.3	0.5	574.5
August	400.1	78.9	28.8	0.0	77.7	0.5	586.0
September	390.0	76.0	28.6	0.0	60.2	0.5	555.3
October	322.3	67.0	26.1	0.0	45.3	0.4	461.3
November	229.6	51.3	24.0	0.0	27.2	0.3	332.4
December	166.3	38.7	20.7	0.0	10.0	0.2	236.0
	3,057.3	631.9	266.7	0.0	400.1	3.9	4,359.9

APPENDIX M**Page 7**CALIFORNIA WATER SERVICE CO.
LIVERMORE DISTRICT

Adopted Quantities

2014 Calendar Year

Production	Company	Purchases		Purchased	Pump Taxes	Purchased
Month	Wells (Kccf)	(Kccf)	Total (Kccf)	Water (In	(In \$1,000)	Power (In
				\$1,000)	(In \$1,000)	\$1,000)
January	50.6	158.4	209.0	\$ 345.7	\$ -	\$ 25.4
February	41.3	144.6	185.9	\$ 315.7	\$ -	\$ 22.6
March	65.6	156.1	221.6	\$ 340.6	\$ -	\$ 26.9
April	88.4	219.1	307.5	\$ 478.2	\$ -	\$ 37.4
May	151.3	302.9	454.2	\$ 661.2	\$ -	\$ 55.2
June	155.1	362.6	517.6	\$ 791.3	\$ -	\$ 62.9
July	195.3	427.9	623.2	\$ 933.9	\$ -	\$ 75.7
August	187.9	427.8	615.7	\$ 933.7	\$ -	\$ 74.8
September	148.7	403.6	552.3	\$ 880.9	\$ -	\$ 67.1
October	102.6	285.8	388.4	\$ 623.8	\$ -	\$ 47.2
November	78.2	193.6	271.9	\$ 422.6	\$ -	\$ 33.0
December	51.0	175.1	226.1	\$ 382.2	\$ -	\$ 27.5
	<u>1,316.0</u>	<u>3,257.5</u>	<u>4,573.5</u>	<u>\$ 7,109.7</u>	<u>\$ -</u>	<u>\$ 555.6</u>

APPENDIX M**Page 8**

CALIFORNIA WATER SERVICE CO.
LIVERMORE DISTRICT
Monthly Revenue Summary (In \$1,000)
2014

TEST-YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 622.9	\$ 293.6	\$ 916.5
February	\$ 598.3	\$ 293.6	\$ 891.9
March	\$ 570.4	\$ 293.6	\$ 864.0
April	\$ 781.4	\$ 293.6	\$ 1,075.1
May	\$ 1,204.0	\$ 293.6	\$ 1,497.6
June	\$ 1,594.6	\$ 293.6	\$ 1,888.3
July	\$ 1,984.6	\$ 293.6	\$ 2,278.2
August	\$ 2,023.1	\$ 293.6	\$ 2,316.7
September	\$ 1,913.4	\$ 293.6	\$ 2,207.1
October	\$ 1,570.2	\$ 293.6	\$ 1,863.9
November	\$ 1,109.4	\$ 293.6	\$ 1,403.1
December	\$ 779.7	\$ 293.6	\$ 1,073.3
TOTAL	\$ 14,752.1	\$ 3,523.5	\$ 18,275.5

TEST-YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 618.1	\$ 501.8	\$ 1,119.8
February	\$ 557.2	\$ 501.8	\$ 1,059.0
March	\$ 662.5	\$ 501.8	\$ 1,164.2
April	\$ 749.9	\$ 501.8	\$ 1,251.7
May	\$ 1,016.6	\$ 426.3	\$ 1,442.9
June	\$ 1,620.4	\$ 501.8	\$ 2,122.2
July	\$ 1,791.1	\$ 501.8	\$ 2,292.9
August	\$ 1,681.4	\$ 501.8	\$ 2,183.1
September	\$ 1,820.3	\$ 501.8	\$ 2,322.1
October	\$ 1,281.7	\$ 501.8	\$ 1,783.5
November	\$ 989.1	\$ 501.8	\$ 1,490.8
December	\$ 757.0	\$ 501.8	\$ 1,258.8
TOTAL	\$ 13,545.1	\$ 5,945.8	\$ 19,491.0

CALIFORNIA WATER SERVICE CO.
LIVERMORE DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)		4,573.5
Kwh / ccf		various
Total calculated KWH		3,471,149
Unit Cost	\$	0.1601
Power Cost	\$	555,585.4
TOTAL PURCHASED POWER (In \$1,000)	\$	555.6

PURCHASED WATER

ANNUAL ENTITLEMENT OF PURCHASED WATER (KCcf)		3,257
Quantities By Rate Blocks - CCF		
1st 33 CCF x 12 months		0
Next 300 CCF x 12 months		4
Next 3000 CCF x 12 months		36
Excess Over 3333 CCF Annually		3,217
Cost per tier block	\$	3.9
	\$	3.1
	\$	2.5
	\$	2.2
Purchase water Cost	\$	1.5
	\$	11.2
	\$	89.0
	\$	6,978.8
Service Charges - 9 Connections @ \$136 per Month	\$	14.7
Mingolia Lease		89
		160
	\$	14.6
BASIC COST \$ - THOUSANDS	\$	7,109.7
TOTAL PURCHASED WATER COST (In \$1,000)	\$	7,109.7

APPENDIX M
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CALIFORNIA WATER SERVICE CO.
LIVERMORE DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	1,316
ADOPTED CHEMICAL DOLLARS (adjusted for CBK share)	\$ 94.9
ADOPTED \$ per KCCF	\$ 0.0721392
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$ -
TOTAL GROUNDWATER CHARGES	\$ -
ANNUAL WATERMASTER SERVICE	\$ -
TOTAL PUMP TAX EXPENSE	\$ -
UNCOLLECTIBLES RATE	0.18%
FRANCHISE TAX RATE	0.00%
BUSINESS LICENSE FEE	\$182.38
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.70445

APPENDIX M

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CALIFORNIA WATER SERVICE CO.
LIVERMORE DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

WP7-C16

		NORMAL W/O INCOME TAXES	
1	UNCOLLECTIBLES	0.17974%	0.17974%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.82026%	99.82026%
	FRANCHISE TAX RATE	0.00000%	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%	0.00000%
	BUSINESS LICENSE RATE	0.93573%	0.93573%
4	BUSINESS LICENSE (% * LINE 2)	0.93404%	0.93404%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	1.11378%	1.11378%
6	1 - SUBTOTAL (100% - LINE 5)	98.88622%	98.88622%
7	CCFT (LINE 6 * 8.84%)	8.74154%	
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	0.21671%	
9	FIT (LINE 6 * 35 %)	31.47479%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	41.33011%	1.11378%
11	NET AFTER TAXES (1 - LINE 9)	58.66989%	98.88622%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.70445	1.01126

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.01126	0.47125
EQUITY	53.40%	With income Taxes	1.70445	0.91018
TOTAL	100.00%			1.38143

Adj. Net to Gros: **1.38143**

APPENDIX M**Page 12**California Water Service Company
Livermore District Bill Comparison**Typical Monthly Residential Bill for Metered Customers for 2014**

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes
0	\$ 11.76	\$ 17.52	\$ 5.76	49.00%	(1)
5	\$ 27.38	\$ 31.86	\$ 4.48	16.38%	
10	\$ 43.19	\$ 46.38	\$ 3.19	7.39%	
11	\$ 46.52	\$ 49.44	\$ 2.92	6.27%	(2)
15	\$ 59.81	\$ 61.64	\$ 1.83	3.06%	(3)
20	\$ 76.42	\$ 76.89	\$ 0.47	0.62%	
24	\$ 90.38	\$ 89.71	\$ -0.67	-0.74%	(4)
25	\$ 94.37	\$ 93.37	\$ -1.00	-1.06%	
30	\$ 114.30	\$ 111.67	\$ -2.63	-2.30%	
35	\$ 134.24	\$ 129.98	\$ -4.26	-3.17%	
40	\$ 154.17	\$ 148.28	\$ -5.89	-3.82%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 3.1235	\$ 2.8679	\$ -0.26	-8.18%	
Tier 2	\$ 3.3228	\$ 3.0510	\$ -0.27	-8.18%	
Tier 3	\$ 3.9872	\$ 3.6610	\$ -0.33	-8.18%	
Service Charge:	\$ 11.76	\$ 17.52	\$ 5.76	49.00%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 11 Ccf
- (3) Monthly average usage of 15 Ccf
- (4) Typical summer monthly average usage of 24 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX N

Page 1

CALIFORNIA WATER SERVICE CO.
LOS ALTOS DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT	PROPOSED	ESTIMATED	ESTIMATED
	RATES	RATES	RATES	RATES
	2014	2014	2015	2016
OPERATING REVENUES	\$ 24,668.4	\$26,203.4	\$26,765.3	\$27,326.2
% Increase		6.2%	2.1%	2.1%
OPERATING EXPENSES				
PURCHASED WATER	\$6,570.8	\$6,570.8	\$6,583.8	\$6,596.8
GROUNDWATER EXTRACTION CHARGES	\$3,578.4	\$3,578.4	\$3,585.4	\$3,592.5
PURCHASED POWER	\$1,133.1	\$1,133.1	\$1,135.4	\$1,137.6
PURCHASED CHEMICALS	\$65.4	\$65.4	\$66.2	\$67.1
PAYROLL -- DISTRICT	\$1,684.3	\$1,684.3	\$1,704.8	\$1,725.5
UNCOLLECTIBLES	\$16.3	\$17.3	\$17.6	\$17.7
CONSERVATION	\$246.9	\$246.9	\$246.9	\$246.9
OTHER OPERATION AND MAINTENANCE	\$1,727.8	\$1,727.8	\$1,748.9	\$1,770.3
BENEFITS	\$1,043.8	\$1,043.8	\$1,056.5	\$1,067.2
OTHER ADMIN AND GEN. EXP.	\$92.2	\$92.2	\$93.3	\$94.4
TOTAL O. & M., A. & G., & MISC. EXP.	\$16,159.0	\$16,160.1	\$16,238.7	\$16,316.0
TAXES OTHER THAN INCOME				
AD VALOREM TAXES	\$441.7	\$441.7	\$476.2	\$510.8
BUSINESS LICENSE FEES	\$0.3	\$0.3	\$0.3	\$0.3
LOCAL FRANCHISE TAXES	\$360.7	\$383.2	\$383.9	\$384.7
PAYROLL TAXES	\$127.1	\$127.1	\$128.6	\$130.2
TOTAL GENERAL TAXES	929.8	\$952.2	\$989.1	\$1,025.9
DEPRECIATION	\$1,942.4	\$1,942.4	\$2,059.7	\$2,176.9
G.O. PRORATED EXPENSES:				
PAYROLL AND BENEFITS	\$1,606.4	\$1,606.4	\$1,625.9	\$1,645.7
AD VALOREM, BUSINESS LICENSE, FRANCHISES	\$28.8	\$28.8	\$28.9	\$28.9
PAYROLL TAXES	\$99.4	\$99.4	\$100.6	\$101.8
OTHER PRORATED EXPENSES	\$1,074.9	\$1,074.9	\$1,088.0	\$1,101.3
TOTAL G.O. PRORATED EXPENSES	\$2,809.5	\$2,809.5	\$2,843.4	\$2,877.7
SUB -- TOTAL -- OPERATING EXPENSES	\$21,840.7	\$21,864.1	\$22,130.8	\$22,396.6
TOTAL INCOME TAXES:	\$680.4	\$1,279.3	\$1,373.9	\$1,468.5
TOTAL OPERATING EXPENSES	\$22,521.0	\$23,143.5	\$23,504.7	\$23,865.0
NET OPERATING REVENUE	\$2,147.3	\$3,059.9	\$3,260.6	\$3,461.2
DEPRECIATED RATE BASE	\$38,537.8	\$38,537.8	\$41,064.9	\$43,592.0
RATE OF RETURN	5.57%	7.94%	7.94%	7.94%

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CALIFORNIA WATER SERVICE CO.
LOS ALTOS DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$77,436.6	\$81,211.3	\$84,986.0
WTD. AVG. DEPRECIATION RESERVE	(25,524.3)	(27,299.7)	(\$29,075.1)
MATERIALS AND SUPPLIES	284.0	284.0	\$284.0
TANK PAINTING	0.0	517.1	\$1,034.1
WORKING CASH - LEAD - LAG	415.9	441.7	\$467.5
WORKING CASH - W / H EMPLOYEES	(7.0)	(7.0)	(\$7.0)
ADVANCES FOR CONSTRUCTION	(1,768.9)	(1,754.2)	(\$1,739.4)
CONTRIBUTIONS	(7,378.1)	(7,390.4)	(\$7,402.6)
AMORTIZATION OF INTANG.	(187.0)	(190.3)	(\$193.5)
DEFERRED TAXES	(7,479.1)	(7,788.3)	(\$8,097.5)
UNAMORT. I.T.C.	(81.8)	(77.6)	(\$73.4)
PRORATED G.O. RATE BASE	2,387.8	2,703.3	\$3,018.8
TAXES ON ADVANCES	190.7	169.9	\$149.0
TAXES ON C.I.A.C.	249.1	245.1	\$241.0
WTG. AVG. RATE BASE	\$38,537.8	\$41,064.9	\$43,592.0
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$1,942.4	\$2,059.7	\$2,176.9
AD VALOREM TAXES	\$441.7	\$476.2	\$510.8
TOTAL INCOME TAXES AT AUTHORIZED	\$1,279.3	\$1,373.9	\$1,468.5
NET OPERATING REVENUE	\$3,059.9	\$3,260.6	\$3,461.2

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CALIFORNIA WATER SERVICE CO.
LOS ALTOS DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Los Altos	00060893	Mitigate Settlement of 1MG Welded Steel Tank - Sta. 9	\$ 733,282	2014	2012 GRC	\$ 112,310
	00062077	Replace 100K Gallon Redwood Tank - Sta. 8 Loyola Tank	\$ 312,308	2015	2012 GRC	\$ 47,833
	00079954	Cal Water RAMCAP Vulnerability Assessments	\$ 144,305	2015	2012 GRC	\$ 22,102
			<u>\$ 1,189,895</u>			<u>\$ 182,245</u>

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CALIFORNIA WATER SERVICE CO.
LOS ALTOS DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$24,668.4	\$26,203.4
EXPENSES		
PURCHASED WATER	\$6,570.8	\$6,570.8
PURCHASED POWER	\$1,133.1	\$1,133.1
PUMP TAXES	\$3,578.4	\$3,578.4
CHEMICALS	\$65.4	\$65.4
PAYROLL	\$1,684.3	\$1,684.3
OTHER O & M	\$1,974.7	\$1,974.7
OTHER A & G	\$1,135.9	\$1,135.9
G.O. PRORATIONS	\$2,539.2	\$2,539.2
PAYROLL TAXES	\$127.1	\$127.1
AD VALOREM TAXES	\$441.7	\$441.7
UNCOLLECTIBLES	\$16.3	\$17.3
FRANCHISE TAX & BUS LIC. FEES	\$361.0	\$383.5
TRANSPORTATION DEPRECIATION ADJUSTMENT	(\$103.8)	(\$103.8)
INTEREST EXPENSE	\$1,100.5	\$1,100.5
TOTAL DEDUCTIONS	\$20,624.7	\$20,648.1
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$3,366.0	\$3,366.0
NET STATE TAXABLE INCOME	\$677.8	\$2,189.3
STATE CORP. FRANCHISE TAX @ 8.84%	\$59.9	\$193.5
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$2,039.3	\$2,039.3
STATE INCOME TAX	\$59.9	\$193.5
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$68.3	\$116.6
NET FEDERAL TAXABLE INCOME	\$1,876.3	\$3,205.8
FEDERAL INCOME TAX @ 35.00%	\$656.7	\$1,122.0
TOTAL FEDERAL INCOME TAX	\$656.7	\$1,122.0
ADJUSTMENT FOR REGULATORY LIABILITY	(\$36.2)	(\$36.2)
TOTAL INCOME TAXES	\$680.4	\$1,279.3

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CALIFORNIA WATER SERVICE CO.
LOS ALTOS-SUBURBAN DISTRICT

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	13,437	13,452
	1	1	1
	1 1/2	3,806	3,812
	2	193	516
	3	528	531
	4	123	124
	6	28	28
	8	4	4
	10	0	0
	12	1	1
	14	0	0
	TOTAL	18,121	18,470

Metered Sales, KCcf		
All Water	5,629.9	5,657.2

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	16,875	16,889	3,913.3	3,916.6	19.3	19.3
BUSINESS	1,180	1,191	1,075.7	1,085.7	76.0	76.0
MULTIPLE FAMILY	166	172	387.5	401.5	194.5	194.5
INDUSTRIAL	2	1	9.1	9.1	379.0	758.1
PUBLIC AUTHORITY	195	192	238.6	238.6	102.0	103.6
OTHER	24	25	5.7	5.7	20	19
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	18,442	18,470	5,629.9	5,657.2		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	390	393				
PUBLIC FIRE PROT	7	7				
TOTAL	18,839	18,870	5,629.9	5,657.2		
Unaccounted-for water	5.02%		297.3	298.7		
Total Production			5,927.1	5,955.9		

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CALIFORNIA WATER SERVICE CO.
 LOS ALTOS-SUBURBAN DISTRICT

Adopted Quantities

Metered Sales (Kccf)	2014 Test Year					Public Authority	Other	Total
	Residential	Business	Multi-Family	Industrial				
Month								
January	168.4	59.9	26.5	0.5	6.9	0.3	262.5	
February	157.1	59.3	25.6	0.5	5.8	0.3	248.6	
March	145.7	57.6	23.8	0.4	6.2	0.3	234.1	
April	212.9	72.7	28.0	0.5	12.6	0.4	327.1	
May	323.9	92.8	32.8	0.9	20.6	0.5	471.5	
June	424.3	103.2	36.3	0.8	33.7	0.5	598.9	
July	498.2	124.4	41.8	1.3	39.0	0.7	705.3	
August	492.5	119.2	38.9	1.0	36.1	0.6	688.4	
September	514.5	123.9	40.3	0.9	35.3	0.7	715.5	
October	438.5	107.4	35.4	0.9	22.4	0.6	605.2	
November	310.6	86.9	31.4	0.9	11.6	0.5	441.8	
December	226.7	68.4	26.7	0.6	8.3	0.4	331.0	
	3,913.3	1,075.7	387.5	9.1	238.6	5.7	5,629.9	

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CALIFORNIA WATER SERVICE CO.
LOS ALTOS-SUBURBAN DISTRICT

Adopted Quantities

Production	Company Wells (Kccf)	Purchases (Kccf)	2014 Test Year			
			Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	69.0	202.1	271.1	\$ 365.3	\$ 107.7	\$ 51.8
February	38.1	184.8	222.9	\$ 334.1	\$ 59.5	\$ 42.6
March	22.9	248.7	271.6	\$ 449.6	\$ 35.8	\$ 51.9
April	83.5	325.9	409.4	\$ 589.1	\$ 130.4	\$ 78.3
May	238.7	402.6	641.3	\$ 727.8	\$ 372.7	\$ 122.6
June	276.8	386.4	663.2	\$ 698.5	\$ 432.1	\$ 126.8
July	377.2	399.0	776.2	\$ 721.2	\$ 588.9	\$ 148.4
August	358.3	405.2	763.5	\$ 732.5	\$ 559.3	\$ 146.0
September	287.7	401.8	689.5	\$ 726.3	\$ 449.2	\$ 131.8
October	165.4	335.1	500.5	\$ 605.7	\$ 258.2	\$ 95.7
November	176.7	200.4	377.1	\$ 362.2	\$ 275.8	\$ 72.1
December	197.8	143.1	340.8	\$ 258.6	\$ 308.8	\$ 65.2
	<u>2,292.2</u>	<u>3,635.0</u>	<u>5,927.2</u>	<u>\$ 6,570.8</u>	<u>\$ 3,578.4</u>	<u>\$ 1,133.1</u>

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CALIFORNIA WATER SERVICE CO.
LOS ALTOS-SUBURBAN DISTRICT
Monthly Revenue Summary (In \$1,000)
2014

TEST-YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 899.5	\$ 387.9	\$ 1,287.4
February	\$ 850.3	\$ 387.9	\$ 1,238.2
March	\$ 799.4	\$ 387.9	\$ 1,187.3
April	\$ 1,131.5	\$ 387.9	\$ 1,519.4
May	\$ 1,664.6	\$ 387.9	\$ 2,052.5
June	\$ 2,145.0	\$ 387.9	\$ 2,532.9
July	\$ 2,556.0	\$ 387.9	\$ 2,943.9
August	\$ 2,490.8	\$ 387.9	\$ 2,878.7
September	\$ 2,597.1	\$ 387.9	\$ 2,985.0
October	\$ 2,176.9	\$ 387.9	\$ 2,564.8
November	\$ 1,553.2	\$ 387.9	\$ 1,941.1
December	\$ 1,149.3	\$ 387.9	\$ 1,537.2
TOTAL	\$ 20,013.4	\$ 4,655.0	\$ 24,668.4

TEST-YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 957.4	\$ 556.9	\$ 1,514.3
February	\$ 832.5	\$ 556.9	\$ 1,389.3
March	\$ 953.5	\$ 556.9	\$ 1,510.4
April	\$ 1,123.7	\$ 556.9	\$ 1,680.6
May	\$ 1,452.0	\$ 460.6	\$ 1,912.6
June	\$ 2,226.8	\$ 556.9	\$ 2,783.7
July	\$ 2,481.4	\$ 556.9	\$ 3,038.2
August	\$ 2,360.7	\$ 556.9	\$ 2,917.6
September	\$ 2,510.3	\$ 556.9	\$ 3,067.1
October	\$ 1,972.8	\$ 556.9	\$ 2,529.6
November	\$ 1,554.8	\$ 556.9	\$ 2,111.7
December	\$ 1,191.2	\$ 556.9	\$ 1,748.1
TOTAL	\$ 19,617.1	\$ 6,586.2	\$ 26,203.4

CALIFORNIA WATER SERVICE CO.
LOS ALTOS-SUBURBAN DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)	5,927.2
Kwh / ccf	various
Total calculated KWH	5,739,351
Unit Cost	\$0.1974
Power Cost	\$1,133,120
TOTAL PURCHASED POWER (In \$1,000)	\$1,133.1

PURCHASED WATER

S.C.V.W.D. - CONTRACT A.F.	8,230
S.C.V.W.D. - NON-CONTRACT A.F.	0
SAN JOSE WATER - KCCF	50
S.C.V.W.D. - CONTRACT A.F. (WP5B10)	\$780
S.C.V.W.D. - NON-CONTRACT A.F. (WP5B10)	\$755
SAN JOSE WATER - KCCF (WP5B10)	\$3
S.C.V.W.D. - CONTRACT A.F. (In \$1,000)	\$6,419
S.C.V.W.D. - NON-CONTRACT A.F.	\$0
SAN JOSE WATER - KCCF	\$135
SAN JOSE WATER - SERVICE CHARGES	\$16
TOTAL PURCHASED WATER COST (In \$1,000)	\$6,570.8

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CALIFORNIA WATER SERVICE CO.
LOS ALTOS-SUBURBAN DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	2,342
ADOPTED CHEMICAL DOLLARS	\$65.4
ADOPTED \$ per KCCF	\$0.027943
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	5,262.3
UNIT COST - ACRE FEET	\$680
TOTAL GROUNDWATER CHARGES	\$3,578,375
TOTAL PUMP TAX EXPENSE (In \$1,000)	\$3,578.4
UNCOLLECTABLES RATE	0.07%
FRANCHISE TAX RATE	1.46%
BUSINESS LICENSE FEE	\$0.30
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.68204

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CALIFORNIA WATER SERVICE CO.
LOS ALTOS DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

		NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.06618%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.93382%
	FRANCHISE TAX RATE	1.46229%
3	LOCAL FRANCHISE (% * LINE 2)	1.46133%
	BUSINESS LICENSE RATE	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	1.52751%
6	1 - SUBTOTAL (100% - LINE 5)	98.47249%
7	CCFT (LINE 6 * 8.84%)	8.70497%
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	3.15095%
9	FIT (LINE 6 * 35 %)	30.31580%
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	40.54828%
11	NET AFTER TAXES (1 - LINE 9)	59.45172%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.68204
		1.01551

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.01551	0.47323
EQUITY	53.40%	With income Taxes	1.68204	0.89821
TOTAL	100.00%	Adj. Net to Gros:		1.37144

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California Water Service Company
Los Altos Suburban District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014					
Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 13.44	\$ 17.34	\$ 3.90	29.00%	
5	\$ 29.74	\$ 33.32	\$ 3.57	12.02%	
10	\$ 46.05	\$ 49.30	\$ 3.25	7.06%	
15	\$ 63.39	\$ 66.30	\$ 2.91	4.59%	(2)
19	\$ 77.27	\$ 79.90	\$ 2.63	3.41%	(3)
20	\$ 80.74	\$ 83.30	\$ 2.56	3.18%	
25	\$ 98.08	\$ 100.30	\$ 2.22	2.26%	
29	\$ 113.34	\$ 115.26	\$ 1.92	1.69%	(4)
30	\$ 117.51	\$ 119.34	\$ 1.84	1.56%	
35	\$ 138.32	\$ 139.75	\$ 1.42	1.03%	
40	\$ 159.14	\$ 160.15	\$ 1.01	0.64%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 3.2608	\$ 3.1962	\$ -0.06	-1.98%	
Tier 2	\$ 3.4690	\$ 3.4003	\$ -0.07	-1.98%	
Tier 3	\$ 4.1628	\$ 4.0804	\$ -0.08	-1.98%	
Service Charge:	\$ 13.44	\$ 17.34	\$ 3.90	29.00%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 15 Ccf
- (3) Monthly average usage of 19 Ccf
- (4) Typical summer monthly average usage of 29 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX O

Page 1

CALIFORNIA WATER SERVICE CO.
MARYSVILLE DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT		PROPOSED		ESTIMATED		ESTIMATED	
	RATES		RATES		RATES		RATES	
	2014	2014	2014	2014	2015	2015	2016	2016
OPERATING REVENUES	\$ 3,211.6	\$3,538.1			\$3,538.7	\$3,539.5		
% Increase		10.2%			0.0%	0.0%		
OPERATING EXPENSES								
PURCHASED WATER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GROUNDWATER EXTRACTION CHARGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PURCHASED POWER	\$ 154.7	\$ 154.7	\$ 154.7	\$ 154.7	\$ 154.7	\$ 154.7	\$ 154.7	\$ 154.7
PURCHASED CHEMICALS	\$ 17.1	\$ 17.1	\$ 17.1	\$ 17.1	\$ 17.3	\$ 17.5	\$ 17.5	\$ 17.5
PAYROLL -- DISTRICT	\$ 514.5	\$ 514.5	\$ 514.5	\$ 514.5	\$ 519.7	\$ 525.0	\$ 525.0	\$ 525.0
UNCOLLECTIBLES	\$ 14.0	\$ 15.5	\$ 15.5	\$ 15.5	\$ 15.6	\$ 15.8	\$ 15.8	\$ 15.8
CONSERVATION	\$ 8.5	\$ 8.5	\$ 8.5	\$ 8.5	\$ 8.5	\$ 8.5	\$ 8.5	\$ 8.5
OTHER OPERATION AND MAINTENANCE	\$ 302.0	\$ 302.0	\$ 302.0	\$ 302.0	\$ 305.1	\$ 308.2	\$ 308.2	\$ 308.2
BENEFITS	\$ 362.6	\$ 362.6	\$ 362.6	\$ 362.6	\$ 366.3	\$ 370.0	\$ 370.0	\$ 370.0
OTHER ADMIN AND GEN. EXP.	\$ 43.4	\$ 43.4	\$ 43.4	\$ 43.4	\$ 43.8	\$ 44.3	\$ 44.3	\$ 44.3
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 1,416.9	\$ 1,418.4	\$ 1,418.4	\$ 1,418.4	\$ 1,431.1	\$ 1,444.0	\$ 1,444.0	\$ 1,444.0
TAXES OTHER THAN INCOME								
AD VALOREM TAXES	\$ 111.6	\$ 111.6	\$ 111.6	\$ 111.6	\$ 115.5	\$ 119.5	\$ 119.5	\$ 119.5
BUSINESS LICENSE FEES	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6
LOCAL FRANCHISE TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PAYROLL TAXES	\$ 38.5	\$ 38.5	\$ 38.5	\$ 38.5	\$ 38.9	\$ 39.3	\$ 39.3	\$ 39.3
TOTAL GENERAL TAXES	\$ 150.6	\$ 150.6	\$ 150.6	\$ 150.6	\$ 155.0	\$ 159.3	\$ 159.3	\$ 159.3
DEPRECIATION	\$ 292.0	\$ 292.0	\$ 292.0	\$ 292.0	\$ 252.7	\$ 213.3	\$ 213.3	\$ 213.3
G.O. PRORATED EXPENSES:								
PAYROLL AND BENEFITS	\$ 297.6	\$ 297.6	\$ 297.6	\$ 297.6	\$ 300.6	\$ 303.7	\$ 303.7	\$ 303.7
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$ 5.3	\$ 5.3	\$ 5.3	\$ 5.3	\$ 5.3	\$ 5.3	\$ 5.3	\$ 5.3
PAYROLL TAXES	\$ 18.4	\$ 18.4	\$ 18.4	\$ 18.4	\$ 18.6	\$ 18.8	\$ 18.8	\$ 18.8
OTHER PRORATED EXPENSES	\$ 199.2	\$ 199.2	\$ 199.2	\$ 199.2	\$ 201.2	\$ 203.3	\$ 203.3	\$ 203.3
TOTAL G.O. PRORATED EXPENSES	\$ 520.5	\$ 520.5	\$ 520.5	\$ 520.5	\$ 525.7	\$ 531.0	\$ 531.0	\$ 531.0
SUB -- TOTAL -- OPERATING EXPENSES	\$ 2,380.1	\$ 2,381.6	\$ 2,381.6	\$ 2,381.6	\$ 2,364.5	\$ 2,347.7	\$ 2,347.7	\$ 2,347.7
TOTAL INCOME TAXES:	\$ 375.0	\$ 498.1	\$ 498.1	\$ 498.1	\$ 520.2	\$ 542.4	\$ 542.4	\$ 542.4
TOTAL OPERATING EXPENSES	\$ 2,755.1	\$ 2,879.6	\$ 2,879.6	\$ 2,879.6	\$ 2,884.8	\$ 2,890.1	\$ 2,890.1	\$ 2,890.1
NET OPERATING REVENUE	\$ 456.6	\$ 658.4	\$ 658.4	\$ 658.4	\$ 653.9	\$ 649.3	\$ 649.3	\$ 649.3
DEPRECIATED RATE BASE	\$ 8,292.8	\$ 8,292.8	\$ 8,292.8	\$ 8,292.8	\$ 8,235.4	\$ 8,177.9	\$ 8,177.9	\$ 8,177.9
RATE OF RETURN	5.51%	7.94%	7.94%	7.94%	7.94%	7.94%	7.94%	7.94%

APPENDIX O

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CALIFORNIA WATER SERVICE CO.
MARYSVILLE DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 15,684.9	\$ 15,890.4	\$ 16,096.0
WTD. AVG. DEPRECIATION RESERVE	\$ (5,428.8)	\$ (5,679.3)	\$ (5,929.7)
MATERIALS AND SUPPLIES	\$ 77.8	\$ 77.8	\$ 77.8
TANK PAINTING	\$ -	\$ -	\$ -
WORKING CASH - LEAD - LAG	\$ (50.0)	\$ (55.4)	\$ (60.8)
WORKING CASH - W / H EMPLOYEES	\$ (1.3)	\$ (1.3)	\$ (1.3)
ADVANCES FOR CONSTRUCTION	\$ (156.3)	\$ (141.4)	\$ (126.6)
CONTRIBUTIONS	\$ (576.2)	\$ (582.3)	\$ (588.5)
AMORTIZATION OF INTANG.	\$ (103.8)	\$ (117.1)	\$ (130.3)
DEFERRED TAXES	\$ (1,617.9)	\$ (1,661.1)	\$ (1,704.4)
UNAMORT. I.T.C.	\$ (15.1)	\$ (14.2)	\$ (13.3)
PRORATED G.O. RATE BASE	\$ 442.4	\$ 500.8	\$ 559.2
TAXES ON ADVANCES	\$ 14.9	\$ 1.8	\$ (11.2)
TAXES ON C.I.A.C.	\$ 22.2	\$ 16.7	\$ 11.2
WTG. AVG. RATE BASE	\$ 8,292.8	\$ 8,235.4	\$ 8,177.9
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 292.0	\$ 252.7	\$ 213.3
AD VALOREM TAXES	\$ 111.6	\$ 115.5	\$ 119.5
TOTAL INCOME TAXES AT AUTHORIZED	\$ 498.1	\$ 520.2	\$ 542.4
NET OPERATING REVENUE	\$ 658.4	\$ 653.9	\$ 649.3

APPENDIX O

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CALIFORNIA WATER SERVICE CO.
MARYSVILLE DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Marysville	00079975	Cal Water RAMCAP Vulnerability Assessments	\$ 55,590	2015	2012 GRC	\$ 7,957
			<u>\$ 55,590</u>			<u>\$ 7,957</u>

APPENDIX O**Page 4**CALIFORNIA WATER SERVICE CO.
MARYSVILLE DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$ 3,211.6	\$ 3,538.1
EXPENSES		
PURCHASED WATER	\$ -	\$ -
PURCHASED POWER	\$ 154.7	\$ 154.7
PUMP TAXES	\$ -	\$ -
CHEMICALS	\$ 17.1	\$ 17.1
PAYROLL	\$ 514.5	\$ 514.5
OTHER O & M	\$ 310.6	\$ 310.6
OTHER A & G	\$ 406.0	\$ 406.0
G.O. PRORATIONS	\$ 78.1	\$ 78.1
PAYROLL TAXES	\$ 38.5	\$ 38.5
AD VALOREM TAXES	\$ 111.6	\$ 111.6
UNCOLLECTIBLES	\$ 14.0	\$ 15.5
FRANCHISE TAX & BUS LIC. FEES	\$ 0.6	\$ 0.6
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$ (18.3)	\$ (18.3)
INTEREST EXPENSE	\$ 240.4	\$ 240.4
TOTAL DEDUCTIONS	\$ 1,867.7	\$ 1,869.2
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$ 524.6	\$ 524.6
NET STATE TAXABLE INCOME	\$ 819.3	\$ 1,144.3
STATE CORP. FRANCHISE TAX @ 8.84%	\$ 72.4	\$ 101.2
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$ 316.0	\$ 316.0
STATE INCOME TAX	\$ 72.4	\$ 101.2
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$ 71.8	\$ 98.5
NET FEDERAL TAXABLE INCOME	\$ 883.6	\$ 1,153.2
FEDERAL INCOME TAX @ 35.00%	\$ 309.3	\$ 403.6
TOTAL FEDERAL INCOME TAX	\$ 309.3	\$ 403.6
ADJUSTMENT FOR REGULATORY LIABILITY	\$ (6.7)	\$ (6.7)
TOTAL INCOME TAXES	\$ 375.0	\$ 498.1

APPENDIX O

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**CALIFORNIA WATER SERVICE CO.
MARYSVILLE DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	2,152	2,207
	3/4	0	0
	1	231	230
	1 1/2	60	59
	2	109	107
	3	14	13
	4	5	5
	6	0	0
	8	0	0
	10	0	0
	12	0	0
	14	0	0
TOTAL		2,571	2,621

Metered Sales, KCcf		
All Water	712.7	709.4

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	1,936	1,998	291.0	300.3	12.5	12.5
BUSINESS	465	457	156.2	153.5	28.0	28.0
MULTIPLE FAMILY	132	133	132.1	133.1	83.4	83.4
INDUSTRIAL	1	1	1.5	1.5	127.8	127.8
PUBLIC AUTHORITY	33	28	130.8	119.9	330.3	356.8
OTHER	4	4	1.0	1.0	21	21
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	2,571	2,621	712.7	709.4		
RESIDENTIAL FLAT	1,240	1,178	256.1	243.3		
PRIVATE FIRE PROT	56	57				
PUBLIC FIRE PROT	11	12				
TOTAL	3,878	3,868	968.8	952.7		
Unaccounted-for water	7.00%		72.9	71.7		
Total Production			1,041.7	1,024.4		

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CALIFORNIA WATER SERVICE CO.
MARYSVILLE DISTRICT

Adopted Quantities

2014 Test Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	14.0	9.8	9.0	0.1	7.2	0.1	40.1
February	12.0	8.6	7.6	0.0	6.7	0.1	35.0
March	12.2	8.5	8.3	0.0	7.1	0.1	36.2
April	14.6	9.3	8.9	0.0	8.6	0.1	41.5
May	19.2	11.0	10.0	0.0	7.8	0.1	48.1
June	24.4	13.7	11.5	0.0	11.2	0.1	61.0
July	36.5	17.9	14.0	0.3	15.9	0.1	84.7
August	40.7	19.4	14.0	0.3	18.0	0.1	92.5
September	42.8	19.2	16.0	0.3	15.9	0.1	94.4
October	33.8	17.1	12.9	0.2	16.1	0.1	80.3
November	22.0	12.4	10.4	0.0	9.0	0.1	53.9
December	18.6	9.2	9.6	0.0	7.3	0.1	44.9
	291.0	156.2	132.1	1.5	130.8	1.0	712.7

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**CALIFORNIA WATER SERVICE CO.
MARYSVILLE DISTRICT**

Adopted Quantities

2014 Test Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	56.3	0.0	56.3	\$ -	\$ -	\$ 8.4
February	50.1	0.0	50.1	\$ -	\$ -	\$ 7.4
March	58.3	0.0	58.3	\$ -	\$ -	\$ 8.7
April	69.5	0.0	69.5	\$ -	\$ -	\$ 10.3
May	94.2	0.0	94.2	\$ -	\$ -	\$ 14.0
June	115.9	0.0	115.9	\$ -	\$ -	\$ 17.2
July	143.1	0.0	143.1	\$ -	\$ -	\$ 21.3
August	140.9	0.0	140.9	\$ -	\$ -	\$ 20.9
September	118.1	0.0	118.1	\$ -	\$ -	\$ 17.5
October	80.9	0.0	80.9	\$ -	\$ -	\$ 12.0
November	59.2	0.0	59.2	\$ -	\$ -	\$ 8.8
December	55.2	0.0	55.2	\$ -	\$ -	\$ 8.2
	<u>1,041.7</u>	<u>0.0</u>	<u>1,041.7</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 154.7</u>

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CALIFORNIA WATER SERVICE CO.
 MARYSVILLE DISTRICT
 Monthly Revenue Summary (In \$1,000)
 2014

TEST-YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 65.9	\$ 170.1	\$ 236.0
February	\$ 57.3	\$ 170.1	\$ 227.3
March	\$ 59.3	\$ 170.1	\$ 229.4
April	\$ 67.8	\$ 170.1	\$ 237.9
May	\$ 78.8	\$ 170.1	\$ 248.9
June	\$ 100.0	\$ 170.1	\$ 270.1
July	\$ 139.8	\$ 170.1	\$ 309.9
August	\$ 153.1	\$ 170.1	\$ 323.2
September	\$ 156.2	\$ 170.1	\$ 326.3
October	\$ 131.5	\$ 170.1	\$ 301.6
November	\$ 87.9	\$ 170.1	\$ 258.0
December	\$ 73.0	\$ 170.1	\$ 243.1
TOTAL	\$ 1,170.7	\$ 2,040.9	\$ 3,211.6

TEST-YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 80.6	\$ 174.1	\$ 254.8
February	\$ 78.9	\$ 174.1	\$ 253.0
March	\$ 77.8	\$ 174.1	\$ 251.9
April	\$ 85.9	\$ 174.1	\$ 260.0
May	\$ 103.9	\$ 164.7	\$ 268.6
June	\$ 155.1	\$ 174.1	\$ 329.3
July	\$ 174.2	\$ 174.1	\$ 348.3
August	\$ 172.8	\$ 174.1	\$ 347.0
September	\$ 189.7	\$ 174.1	\$ 363.8
October	\$ 131.9	\$ 174.1	\$ 306.0
November	\$ 111.3	\$ 174.1	\$ 285.4
December	\$ 95.8	\$ 174.1	\$ 269.9
TOTAL	\$ 1,457.8	\$ 2,080.2	\$ 3,538.1

APPENDIX O

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CALIFORNIA WATER SERVICE CO.
MARYSVILLE DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)		1,041.7
Kwh / ccf		877.1
Total calculated KWH		913,705.0
Unit Cost		\$0.2
Power Cost	\$	154,706.4
TOTAL PURCHASED POWER (In \$1,000)	\$	154.7
PURCHASED WATER	\$	-
TOTAL PURCHASED WATER COST	\$	-

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CALIFORNIA WATER SERVICE CO.
MARYSVILLE DISTRICT

Adopted Quantities

2014

CHEMICALS

Total Production (kccf)		1,042
ADOPTED CHEMICAL DOLLARS	\$	17.1
ADOPTED \$ per KCCF		\$0.016452

PUMP TAXES (WATER REPLENISHMENT DISTRICT)

WELL WATER PRODUCTION - ACRE FEET		0.0
UNIT COST - ACRE FEET	\$	-
TOTAL GROUNDWATER CHARGES	\$	-

TOTAL PUMP TAX EXPENSE

UNCOLLECTABLES RATE	0.44%
FRANCHISE TAX RATE	0.00%
BUSINESS LICENSE FEE	\$0.60
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.61671

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CALIFORNIA WATER SERVICE CO.
MARYSVILLE DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

WP7-C16

		NORMAL W/O INCOME TAXES	
1	UNCOLLECTIBLES	0.43707%	0.43707%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.56293%	99.56293%
	FRANCHISE TAX RATE	0.00000%	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%	0.00000%
	BUSINESS LICENSE RATE	0.00000%	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.43707%	0.43707%
6	1 - SUBTOTAL (100% - LINE 5)	99.56293%	99.56293%
7	CCFT (LINE 6 * 8.84%)	8.80136%	
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	8.16854%	
9	FIT (LINE 6 * 35 %)	28.90756%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	38.14599%	0.43707%
11	NET AFTER TAXES (1 - LINE 9)	61.85401%	99.56293%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.61671	1.00439

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.00439	0.46805
EQUITY	53.40%	With income Taxes	1.61671	0.86332
TOTAL	100.00%			1.33137

Adj. Net to Gros: **1.33137**

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Page 12
California Water Service Company
Marysville District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 19.93	\$ 19.45	\$ -0.48	-2.40%	
5	\$ 27.21	\$ 28.52	\$ 1.31	4.80%	
7	\$ 30.12	\$ 32.14	\$ 2.02	6.71%	(2)
10	\$ 34.62	\$ 37.74	\$ 3.12	9.02%	
13	\$ 39.36	\$ 43.65	\$ 4.29	10.89%	(3)
15	\$ 42.53	\$ 47.59	\$ 5.06	11.91%	
17	\$ 45.69	\$ 51.54	\$ 5.84	12.78%	(4)
20	\$ 50.44	\$ 57.45	\$ 7.01	13.89%	
25	\$ 59.30	\$ 68.48	\$ 9.18	15.48%	
30	\$ 68.40	\$ 79.82	\$ 11.41	16.68%	
35	\$ 77.50	\$ 91.15	\$ 13.64	17.60%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 1.4560	\$ 1.8131	\$ 0.36	24.53%	
Tier 2	\$ 1.5827	\$ 1.9708	\$ 0.39	24.53%	
Tier 3	\$ 1.8199	\$ 2.2663	\$ 0.45	24.53%	
Service Charge:	\$ 19.93	\$ 19.45	\$ -0.48	-2.40%	(5) (6)

Monthly Residential Bill for Flat-rate Customers for 2014

Lot size:					
6,000 sq. ft. or less	\$ 60.78	\$ 64.44	\$ 3.67	6.04%	
6,001-10,000 sq. ft.	\$ 73.34	\$ 77.77	\$ 4.43	6.04%	

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 7 Ccf
- (3) Monthly average usage of 13 Ccf
- (4) Typical summer monthly average usage of 17 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX P

Page 1

CALIFORNIA WATER SERVICE CO.
OROVILLE DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT		PROPOSED		ESTIMATED		ESTIMATED	
	RATES		RATES		RATES		RATES	
	2014	2014	2014	2014	2015	2015	2016	2016
OPERATING REVENUES	\$ 3,693.1	\$ 4,522.8			\$ 4,536.7	\$ 4,550.7		
% Increase		22.5%			0.3%	0.3%		
OPERATING EXPENSES								
PURCHASED WATER	\$ 271.3	\$ 271.3			\$ 271.4	\$ 271.6		
GROUNDWATER EXTRACTION CHARGES	\$ -	\$ -			\$ -	\$ -		
PURCHASED POWER	\$ 230.0	\$ 230.0			\$ 230.1	\$ 230.3		
PURCHASED CHEMICALS	\$ 52.0	\$ 52.0			\$ 52.5	\$ 53.1		
PAYROLL -- DISTRICT	\$ 677.5	\$ 677.5			\$ 684.8	\$ 692.2		
UNCOLLECTIBLES	\$ 21.7	\$ 26.5			\$ 26.8	\$ 27.1		
CONSERVATION	\$ 15.5	\$ 15.5			\$ 15.5	\$ 15.5		
OTHER OPERATION AND MAINTENANCE	\$ 383.4	\$ 383.4			\$ 387.6	\$ 391.8		
BENEFITS	\$ 449.7	\$ 449.7			\$ 454.6	\$ 459.2		
OTHER ADMIN AND GEN. EXP.	\$ 106.4	\$ 106.4			\$ 107.5	\$ 108.7		
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 2,207.5	\$ 2,212.3			\$ 2,230.9	\$ 2,249.4		
TAXES OTHER THAN INCOME								
AD VALOREM TAXES	\$ 91.2	\$ 91.2			\$ 91.9	\$ 92.6		
BUSINESS LICENSE FEES	\$ -	\$ -			\$ -	\$ -		
LOCAL FRANCHISE TAXES	\$ -	\$ -			\$ -	\$ -		
PAYROLL TAXES	\$ 51.4	\$ 51.4			\$ 51.9	\$ 52.5		
TOTAL GENERAL TAXES	\$ 142.6	\$ 142.6			\$ 143.8	\$ 145.1		
DEPRECIATION	\$ 412.7	\$ 412.7			\$ 416.9	\$ 421.2		
G.O. PRORATED EXPENSES:								
PAYROLL AND BENEFITS	\$ 393.0	\$ 393.0			\$ 397.2	\$ 401.5		
AD VALOREM, BUSINESS LICENSE, FRANCHISES	\$ 7.1	\$ 7.1			\$ 7.1	\$ 7.1		
PAYROLL TAXES	\$ 24.3	\$ 24.3			\$ 24.6	\$ 24.8		
OTHER PRORATED EXPENSES	\$ 262.9	\$ 262.9			\$ 265.8	\$ 268.6		
TOTAL G.O. PRORATED EXPENSES	\$ 687.3	\$ 687.3			\$ 694.7	\$ 702.1		
SUB -- TOTAL -- OPERATING EXPENSES	\$ 3,450.0	\$ 3,454.8			\$ 3,486.3	\$ 3,517.8		
TOTAL INCOME TAXES:	\$ 8.9	\$ 331.4			\$ 317.9	\$ 304.5		
TOTAL OPERATING EXPENSES	\$ 3,459.0	\$ 3,786.3			\$ 3,804.3	\$ 3,822.3		
NET OPERATING REVENUE	\$ 234.1	\$ 736.5			\$ 732.5	\$ 728.4		
DEPRECIATED RATE BASE	\$ 9,276.1	\$ 9,276.1			\$ 9,225.0	\$ 9,174.0		
RATE OF RETURN	2.52%	7.94%			7.94%	7.94%		

APPENDIX P

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CALIFORNIA WATER SERVICE CO.
OROVILLE DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 18,961.2	\$ 19,374.9	\$ 19,788.7
WTD. AVG. DEPRECIATION RESERVE	\$ (7,450.2)	\$ (7,816.0)	\$ (8,181.8)
MATERIALS AND SUPPLIES	\$ 91.3	\$ 91.3	\$ 91.3
TANK PAINTING	\$ 212.2	\$ 188.6	\$ 165.1
WORKING CASH - LEAD - LAG	\$ 239.1	\$ 248.9	\$ 258.8
WORKING CASH - W / H EMPLOYEES	\$ (1.7)	\$ (1.7)	\$ (1.7)
ADVANCES FOR CONSTRUCTION	\$ (182.8)	\$ (188.6)	\$ (194.5)
CONTRIBUTIONS	\$ (899.2)	\$ (927.4)	\$ (955.5)
AMORTIZATION OF INTANG.	\$ (210.6)	\$ (239.7)	\$ (268.7)
DEFERRED TAXES	\$ (2,095.1)	\$ (2,196.8)	\$ (2,298.4)
UNAMORT. I.T.C.	\$ (22.1)	\$ (21.2)	\$ (20.2)
PRORATED G.O. RATE BASE	\$ 584.2	\$ 661.4	\$ 738.6
TAXES ON ADVANCES	\$ 22.2	\$ 22.6	\$ 23.0
TAXES ON C.I.A.C.	\$ 27.6	\$ 28.5	\$ 29.5
WTG. AVG. RATE BASE	\$ 9,276.1	\$ 9,225.0	\$ 9,174.0
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 412.7	\$ 416.9	\$ 421.2
AD VALOREM TAXES	\$ 91.2	\$ 91.9	\$ 92.6
TOTAL INCOME TAXES AT AUTHORIZED RATE OF RETURN	\$ 331.4	\$ 317.9	\$ 304.5
NET OPERATING REVENUE	\$ 736.5	\$ 732.5	\$ 728.4

APPENDIX P

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CALIFORNIA WATER SERVICE CO.
 OROVILLE DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Oroville	00079997	Cal Water RAMCAP Vulnerability Assessments	\$ 55,590	2015	2012 GRC	\$ 8,001
			<u>\$ 55,590</u>			<u>\$ 8,001</u>

APPENDIX P**Page 4**CALIFORNIA WATER SERVICE CO.
OROVILLE DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$ 3,693.1	\$ 4,522.8
EXPENSES		
PURCHASED WATER	\$ 271.3	\$ 271.3
PURCHASED POWER	\$ 230.0	\$ 230.0
PUMP TAXES	\$ -	\$ -
CHEMICALS	\$ 52.0	\$ 52.0
PAYROLL	\$ 677.5	\$ 677.5
OTHER O & M	\$ 398.9	\$ 398.9
OTHER A & G	\$ 556.1	\$ 556.1
G.O. PRORATIONS	\$ 621.2	\$ 621.2
PAYROLL TAXES	\$ 51.4	\$ 51.4
AD VALOREM TAXES	\$ 91.2	\$ 91.2
UNCOLLECTIBLES	\$ 21.7	\$ 26.5
FRANCHISE TAX & BUS LIC. FEES	\$ -	\$ -
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$ (34.7)	\$ (34.7)
INTEREST EXPENSE	\$ 254.0	\$ 254.0
TOTAL DEDUCTIONS	\$ 3,190.5	\$ 3,195.4
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$ 819.9	\$ 819.9
NET STATE TAXABLE INCOME	\$ (317.4)	\$ 507.5
STATE CORP. FRANCHISE TAX @ 8.84%	\$ (28.1)	\$ 44.9
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$ 407.1	\$ 407.1
STATE INCOME TAX	\$ (28.1)	\$ 44.9
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$ (7.5)	\$ 31.4
NET FEDERAL TAXABLE INCOME	\$ 131.0	\$ 844.1
FEDERAL INCOME TAX @ 35.00%	\$ 45.9	\$ 295.4
TOTAL FEDERAL INCOME TAX	\$ 45.9	\$ 295.4
ADJUSTMENT FOR REGULATORY LIABILITY	\$ (8.9)	\$ (8.9)
TOTAL INCOME TAXES	\$ 8.9	\$ 331.4

APPENDIX P

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**CALIFORNIA WATER SERVICE CO.
OROVILLE DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	3,162	3,211
	3/4	0	0
	1	205	206
	1 1/2	40	41
	2	100	101
	3	19	19
	4	8	9
	6	4	4
	8	1	1
	10	0	0
	12	0	0
	14	0	0
	TOTAL		3,539

Metered Sales, KCcf		
All Water	1,150.3	1,168.8

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	2,659	2,707	381.8	388.7	12.0	12.0
BUSINESS	678	676	286.0	285.1	35.2	35.2
MULTIPLE FAMILY	66	73	117.1	129.5	147.8	147.8
INDUSTRIAL	18	18	190.1	190.1	880.2	880.2
PUBLIC AUTHORITY	112	113	126.3	126.3	93.9	93.1
OTHER	6	6	3.9	3.9	53.9	53.9
IRRIGATION	10	10	45.2	45.2	376.7	376.7
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	3,549	3,603	1,150.3	1,168.8		
RESIDENTIAL FLAT	29	-	10.3	-		
PRIVATE FIRE PROT	96	98				
PUBLIC FIRE PROT	9	9				
TOTAL	3,683	3,710	1,160.7	1,168.8		
Unaccounted-for water	7.00%		81.2	81.8		
Total Production			1,248.0	1,256.8		

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CALIFORNIA WATER SERVICE CO.
OROVILLE DISTRICT

Adopted Quantities

Metered Sales (Kccf)	2014 Test Year							Total
	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Irrigation	
Month								
January	21.1	16.9	7.0	1.8	2.0	0.2	2.7	51.8
February	19.3	15.1	6.9	2.5	1.8	0.2	2.4	48.1
March	18.5	14.2	7.2	3.0	2.3	0.2	2.3	47.7
April	22.4	17.6	8.8	3.6	3.8	0.2	2.8	59.3
May	27.2	21.0	9.5	2.1	7.9	0.3	3.3	71.3
June	31.9	26.2	10.1	2.8	13.0	0.4	4.1	88.5
July	50.6	32.7	11.7	6.2	21.6	0.4	5.2	128.5
August	51.5	34.3	14.3	29.9	21.3	0.5	5.4	157.2
September	52.5	37.4	13.5	87.8	24.6	0.5	6.0	222.3
October	40.6	32.1	11.8	40.1	15.9	0.4	5.1	146.1
November	25.2	22.1	8.6	7.5	8.4	0.3	3.5	75.5
December	21.2	16.2	7.5	2.8	3.5	0.2	2.6	54.0
	381.8	286.0	117.1	190.1	126.3	3.9	45.2	1,150.3

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CALIFORNIA WATER SERVICE CO.
OROVILLE DISTRICT

Adopted Quantities

Production	Company Wells (Kccf)	Purchases (Kccf)	2014 Test Year			
			Total (Kccf)	Purchased Water (In \$1,000)	Purchased Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	20.9	37.5	58.4	\$ 11.4	\$ -	\$ 10.8
February	31.5	21.5	53.1	\$ 6.6	\$ -	\$ 9.8
March	55.6	10.2	65.8	\$ 3.1	\$ -	\$ 12.1
April	38.0	37.5	75.5	\$ 11.4	\$ -	\$ 13.9
May	15.2	82.9	98.1	\$ 25.3	\$ -	\$ 18.1
June	4.5	114.0	118.5	\$ 34.7	\$ -	\$ 21.8
July	17.4	153.3	170.8	\$ 46.7	\$ -	\$ 31.5
August	45.0	163.0	208.0	\$ 49.7	\$ -	\$ 38.3
September	35.7	136.0	171.7	\$ 41.5	\$ -	\$ 31.6
October	12.8	85.2	98.0	\$ 26.0	\$ -	\$ 18.1
November	46.1	22.6	68.7	\$ 6.9	\$ -	\$ 12.7
December	35.2	26.1	61.3	\$ 8.0	\$ -	\$ 11.3
	<u>358.1</u>	<u>889.9</u>	<u>1,248.0</u>	<u>\$ 271.3</u>	<u>\$ -</u>	<u>\$ 230.0</u>

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CALIFORNIA WATER SERVICE CO.
OROVILLE DISTRICT
Monthly Revenue Summary (In \$1,000)
2014

TEST-YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 86.2	\$ 143.9	\$ 230.1
February	\$ 79.9	\$ 143.9	\$ 223.8
March	\$ 78.6	\$ 143.9	\$ 222.4
April	\$ 97.7	\$ 143.9	\$ 241.6
May	\$ 118.5	\$ 143.9	\$ 262.3
June	\$ 148.3	\$ 143.9	\$ 292.2
July	\$ 220.7	\$ 143.9	\$ 364.6
August	\$ 271.1	\$ 143.9	\$ 414.9
September	\$ 394.7	\$ 143.9	\$ 538.6
October	\$ 253.5	\$ 143.9	\$ 397.4
November	\$ 127.3	\$ 143.9	\$ 271.1
December	\$ 89.9	\$ 143.9	\$ 233.8
TOTAL	\$ 1,966.4	\$ 1,726.6	\$ 3,693.1

TEST-YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 140.4	\$ 144.7	\$ 285.1
February	\$ 127.9	\$ 144.7	\$ 272.6
March	\$ 130.6	\$ 144.7	\$ 275.3
April	\$ 150.7	\$ 144.7	\$ 295.4
May	\$ 180.3	\$ 103.8	\$ 284.1
June	\$ 247.6	\$ 144.7	\$ 392.3
July	\$ 314.2	\$ 144.7	\$ 458.9
August	\$ 419.1	\$ 144.7	\$ 563.8
September	\$ 463.7	\$ 144.7	\$ 608.4
October	\$ 310.9	\$ 144.7	\$ 455.6
November	\$ 203.6	\$ 144.7	\$ 348.3
December	\$ 138.3	\$ 144.7	\$ 283.0
TOTAL	\$ 2,827.3	\$ 1,695.4	\$ 4,522.8

CALIFORNIA WATER SERVICE CO.
 OROVILLE DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)	1,261.6
Kwh / ccf	various
Total calculated KWH	1,389,275
Unit Cost	\$0.1656
Power Cost	\$ 229,999.3

TOTAL PURCHASED POWER (In \$1,000) **\$ 230.0**

PURCHASED WATER

CONTRACTED QUANTITIES -- ACRE FEET (WP5B10)	2,000.0
Cost per Acre Foot	\$ 43.4
COMPUTED WATER CHARGES	\$ 86,860.0
SERVICE CHARGES	\$ 32,000.0
TOTAL COUNTY OF BUTTE CHARGES	\$ 118,860.0
PG&E (Canal Water)	\$ 152,400.0
UNION PACIFIC LEASED WELL (\$350.00 per month)	\$ 4,200.0
First Amendment Agreement (WP5B10)	\$ 152,400.0

TOTAL PURCHASED WATER COST (In \$1,000) **\$ 271.3**

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CALIFORNIA WATER SERVICE CO.
 OROVILLE DISTRICT
 Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	362
ADOPTED CHEMICAL DOLLARS (adjusted for CBK share)	\$ 52.0
ADOPTED \$ per KCCF	\$0.143586
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$ -
TOTAL GROUNDWATER CHARGES	\$ -
ANNUAL WATERMASTER SERVICE	\$ -
TOTAL PUMP TAX EXPENSE	\$ -
UNCOLLECTABLES RATE	0.59%
FRANCHISE TAX RATE	0.00%
BUSINESS LICENSE FEE	\$0.00
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.65159

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CALIFORNIA WATER SERVICE CO.
 OROVILLE DISTRICT

NET TO GROSS MULTIPLIER
 (NEW CPUC STAFF APPROVED METHOD)

2014

		NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.58633%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.41367%
	FRANCHISE TAX RATE	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%
	BUSINESS LICENSE RATE	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.58633%
6	1 - SUBTOTAL (100% - LINE 5)	99.41367%
7	CCFT (LINE 6 * 8.84%)	8.78817%
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	4.68873%
9	FIT (LINE 6 * 35 %)	30.07787%
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	39.45237%
11	NET AFTER TAXES (1 - LINE 9)	60.54763%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.65159
		1.00590

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.00590	0.46875
EQUITY	53.40%	With income Taxes	1.65159	0.88195
TOTAL	100.00%			<u>1.35070</u>

Adj. Net to Gros: 1.35070

APPENDIX P
Page 12
California Water Service Company
Oroville District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014					
Usage:	Present Bill	Proposed Bill	Change	Percent Change	Notes
Ccf					(1)
0	\$ 31.48	\$ 30.82	\$ -0.66	-2.10%	
5	\$ 39.89	\$ 42.91	\$ 3.02	7.57%	
9	\$ 46.74	\$ 52.76	\$ 6.02	12.88%	(2)
10	\$ 48.55	\$ 55.36	\$ 6.81	14.03%	
12	\$ 52.16	\$ 60.55	\$ 8.39	16.09%	(3)
15	\$ 57.58	\$ 68.34	\$ 10.76	18.70%	
19	\$ 64.80	\$ 78.73	\$ 13.93	21.49%	(4)
20	\$ 66.61	\$ 81.33	\$ 14.72	22.10%	
25	\$ 76.59	\$ 95.68	\$ 19.09	24.92%	
30	\$ 87.22	\$ 110.96	\$ 23.74	27.22%	
35	\$ 97.84	\$ 126.23	\$ 28.39	29.02%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 1.6821	\$ 2.4185	\$ 0.74	43.78%	
Tier 2	\$ 1.8060	\$ 2.5967	\$ 0.79	43.78%	
Tier 3	\$ 2.1248	\$ 3.0550	\$ 0.93	43.78%	
Service Charge:	\$ 31.48	\$ 30.82	\$ -0.66	-2.10%	(5) (6)

Monthly Residential Bill for Flat-rate Customers for 2014					
Lot size:					
6,000 sq. ft. or less	\$ 72.90	\$ 89.28	\$ 16.38	22.47%	
6,001-10,000 sq. ft.	\$ 86.06	\$ 105.40	\$ 19.33	22.47%	

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 9 Ccf
- (3) Monthly average usage of 12 Ccf
- (4) Typical summer monthly average usage of 19 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX Q

Page 1

CALIFORNIA WATER SERVICE CO.
PALOS VERDES DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT	PROPOSED	ESTIMATED	ESTIMATED
	RATES	RATES	RATES	RATES
	2014	2014	2015	2016
OPERATING REVENUES	\$ 38,366.0	\$ 41,233.5	\$ 41,636.4	\$ 42,039.1
% Increase		7.5%	1.0%	1.0%
OPERATING EXPENSES				
PURCHASED WATER	\$ 22,459.3	\$ 22,459.3	\$ 22,483.0	\$ 22,506.8
GROUNDWATER EXTRACTION CHARGES	\$ -	\$ -	\$ -	\$ -
PURCHASED POWER	\$ 2,728.8	\$ 2,728.8	\$ 2,731.7	\$ 2,734.6
PURCHASED CHEMICALS	\$ -	\$ -	\$ -	\$ -
PAYROLL -- DISTRICT	\$ 2,441.3	\$ 2,441.3	\$ 2,468.7	\$ 2,496.4
UNCOLLECTIBLES	\$ 25.7	\$ 27.7	\$ 28.0	\$ 28.3
CONSERVATION	\$ 538.8	\$ 538.8	\$ 539.3	\$ 539.9
OTHER OPERATION AND MAINTENANCE	\$ 1,506.4	\$ 1,506.4	\$ 1,523.4	\$ 1,540.6
BENEFITS	\$ 1,453.6	\$ 1,453.6	\$ 1,469.9	\$ 1,484.8
OTHER ADMIN AND GEN. EXP.	\$ 166.2	\$ 166.2	\$ 168.1	\$ 170.0
TOTAL O. & M., A. & G., & MISC. EXP.	\$ 31,320.1	\$ 31,322.1	\$ 31,412.2	\$ 31,501.4
TAXES OTHER THAN INCOME				
AD VALOREM TAXES	\$ 322.8	\$ 322.8	\$ 341.2	\$ 359.6
BUSINESS LICENSE FEES	\$ 7.4	\$ 7.4	\$ 7.4	\$ 7.4
LOCAL FRANCHISE TAXES	\$ 381.5	\$ 410.0	\$ 410.4	\$ 410.8
PAYROLL TAXES	\$ 169.4	\$ 169.4	\$ 171.3	\$ 173.2
TOTAL GENERAL TAXES	\$ 881.0	\$ 909.5	\$ 930.3	\$ 951.0
DEPRECIATION	\$ 1,582.4	\$ 1,582.4	\$ 1,655.2	\$ 1,727.9
G.O. PRORATED EXPENSES:				
PAYROLL AND BENEFITS	\$ 2,281.7	\$ 2,281.7	\$ 2,307.3	\$ 2,333.2
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$ 41.0	\$ 41.0	\$ 41.0	\$ 41.1
PAYROLL TAXES	\$ 141.1	\$ 141.1	\$ 142.7	\$ 144.3
OTHER PRORATED EXPENSES	\$ 1,526.9	\$ 1,526.9	\$ 1,544.1	\$ 1,561.6
TOTAL G.O. PRORATED EXPENSES	\$ 3,990.7	\$ 3,990.7	\$ 4,035.2	\$ 4,080.1
SUB -- TOTAL -- OPERATING EXPENSES	\$ 37,774.3	\$ 37,804.7	\$ 38,032.7	\$ 38,260.4
TOTAL INCOME TAXES:	\$ (219.6)	\$ 936.4	\$ 924.1	\$ 911.9
TOTAL OPERATING EXPENSES	\$ 37,554.7	\$ 38,741.1	\$ 38,956.9	\$ 39,172.3
NET OPERATING REVENUE	\$ 811.3	\$ 2,492.3	\$ 2,679.6	\$ 2,866.8
DEPRECIATED RATE BASE	\$ 31,389.7	\$ 31,389.7	\$ 33,747.7	\$ 36,105.7
RATE OF RETURN	2.58%	7.94%	7.94%	7.94%

APPENDIX Q

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CALIFORNIA WATER SERVICE CO.
PALOS VERDES DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$ 72,819.3	\$ 77,031.2	\$ 81,243.0
WTD. AVG. DEPRECIATION RESERVE	\$ (34,361.2)	\$ (35,433.1)	\$ (36,505.0)
MATERIALS AND SUPPLIES	\$ 539.8	\$ 539.8	\$ 539.8
TANK PAINTING	\$ 613.5	\$ 552.1	\$ 490.8
WORKING CASH - LEAD - LAG	\$ (201.3)	\$ (232.7)	\$ (264.2)
WORKING CASH - W / H EMPLOYEES	\$ (9.9)	\$ (9.9)	\$ (9.9)
ADVANCES FOR CONSTRUCTION	\$ (1,679.6)	\$ (1,608.9)	\$ (1,538.2)
CONTRIBUTIONS	\$ (1,991.8)	\$ (2,071.5)	\$ (2,151.1)
AMORTIZATION OF INTANG.	\$ (181.9)	\$ (225.1)	\$ (268.3)
DEFERRED TAXES	\$ (7,939.0)	\$ (8,831.2)	\$ (9,723.4)
UNAMORT. I.T.C.	\$ (133.7)	\$ (125.1)	\$ (116.6)
PRORATED G.O. RATE BASE	\$ 3,391.7	\$ 3,839.8	\$ 4,287.9
PRORATED RANCHO DOMINGUEZ RATE BASE	\$ 292.0	\$ 175.1	\$ 58.3
TAXES ON ADVANCES	\$ 125.5	\$ 43.7	\$ (38.2)
TAXES ON C.I.A.C.	\$ 106.4	\$ 103.6	\$ 100.8
WTG. AVG. RATE BASE	\$ 31,389.7	\$ 33,747.7	\$ 36,105.7
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$ 1,582.4	\$ 1,655.2	\$ 1,727.9
AD VALOREM TAXES	\$ 322.8	\$ 341.2	\$ 359.6
TOTAL INCOME TAXES AT AUTHORIZED RATE OF I	\$ 936.4	\$ 924.1	\$ 911.9
NET OPERATING REVENUE	\$ 2,492.3	\$ 2,679.6	\$ 2,866.8

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CALIFORNIA WATER SERVICE CO.
 PALOS VERDES DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Palos Verdes	00017331	Replace Panelboard - Sta. 22	\$ 620,000	2013	2009 GRC	\$ 88,123
	00019668	Power Recovery Turbine	\$ 217,200	2013	2009 GRC	\$ 30,872
	00020510	Power Recovery Turbine - Phase 2 - Sta. 37	\$ 849,200	2013	2009 GRC	\$ 120,701
	00026747	New Panelboard for Boosters - Sta. 22 A-D (Phase 2)	\$ 576,900	2013	2009 GRC	\$ 81,997
	00076174	Purchase Property - PV Pipeline Project	\$ 5,814,595	2013	2012 GRC	\$ 826,455
	00079993	Cal Water RAMCAP Vulnerability Assessments	\$ 88,321	2015	2012 GRC	\$ 12,554
			<u>\$ 8,166,217</u>			<u>\$ 1,160,702</u>

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CALIFORNIA WATER SERVICE CO.

PALOS VERDES DISTRICT

INCOME TAX CALCULATION

(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$ 38,366.0	\$ 41,233.5
EXPENSES		
PURCHASED WATER	\$ 22,459.3	\$ 22,459.3
PURCHASED POWER	\$ 2,728.8	\$ 2,728.8
PUMP TAXES	\$ -	\$ -
CHEMICALS	\$ -	\$ -
PAYROLL	\$ 2,441.3	\$ 2,441.3
OTHER O & M	\$ 2,045.2	\$ 2,045.2
OTHER A & G	\$ 1,619.8	\$ 1,619.8
G.O. PRORATIONS	\$ 3,606.7	\$ 3,606.7
PAYROLL TAXES	\$ 169.4	\$ 169.4
AD VALOREM TAXES	\$ 322.8	\$ 322.8
UNCOLLECTIBLES	\$ 25.7	\$ 27.7
FRANCHISE TAX & BUS LIC. FEES	\$ 388.9	\$ 417.4
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$ 206.3	\$ 206.3
INTEREST EXPENSE	\$ 885.4	\$ 885.4
TOTAL DEDUCTIONS	\$ 36,899.4	\$ 36,929.9
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$ 4,107.3	\$ 4,107.3
NET STATE TAXABLE INCOME	\$ (2,640.8)	\$ 196.3
STATE CORP. FRANCHISE TAX @ 8.84%	\$ (233.4)	\$ 17.4
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$ 1,513.3	\$ 1,513.3
STATE INCOME TAX	\$ (233.4)	\$ 17.4
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$ -	\$ -
NET FEDERAL TAXABLE INCOME	\$ 186.7	\$ 2,772.9
FEDERAL INCOME TAX @ 35.00%	\$ 65.3	\$ 970.5
TOTAL FEDERAL INCOME TAX	\$ 65.3	\$ 970.5
ADJUSTMENT FOR REGULATORY LIABILITY	\$ (51.5)	\$ (51.5)
TOTAL INCOME TAXES	\$ (219.6)	\$ 936.4

APPENDIX Q

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**CALIFORNIA WATER SERVICE CO.
PALOS VERDES DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	18,134	18,148
	3/4	2	2
	1	3,898	3,901
	1 1/2	1,214	1,215
	2	644	645
	3	58	56
	4	23	23
	6	13	13
	8	5	5
	10	0	0
	12	0	0
	14	0	0
	TOTAL		23,989

Metered Sales, KCcf		
All Water	8,352.4	8,363.3

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	22,805	22,822	6,613.5	6,618.4	24.2	24.2
BUSINESS	682	685	1,063.9	1,068.6	130.0	130.0
MULTIPLE FAMILY	221	222	291.1	292.4	109.8	109.8
INDUSTRIAL	-	-	-	-	0	0
PUBLIC AUTHORITY	271	273	378.7	378.7	116.5	115.6
OTHER	10	7	5.3	5.3	44	63
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	23,989	24,009	8,352.4	8,363.3		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	176	181				
PUBLIC FIRE PROT	7	7				
TOTAL	24,172	24,197	8,352.4	8,363.3		
Unaccounted-for water	4.65%		407.0	407.5		
Total Production			8,759.4	8,770.8		

APPENDIX Q

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**CALIFORNIA WATER SERVICE CO.
PALOS VERDES DISTRICT**

Adopted Quantities

2014 Test Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	407.3	46.9	23.2	0.0	16.8	0.2	494.4
February	385.9	49.3	22.3	0.0	13.8	0.2	471.6
March	371.1	43.2	20.7	0.0	14.7	0.2	449.9
April	500.4	78.1	23.4	0.0	25.2	0.4	627.4
May	606.1	107.9	25.0	0.0	28.4	0.5	768.0
June	616.5	106.8	24.8	0.0	43.5	0.5	792.0
July	709.7	126.5	26.3	0.0	42.1	0.6	905.2
August	687.8	129.5	25.4	0.0	50.4	0.6	893.7
September	742.5	129.9	27.2	0.0	52.5	0.6	952.6
October	611.0	95.2	25.4	0.0	40.6	0.5	772.6
November	518.7	67.0	23.9	0.0	25.4	0.3	635.4
December	456.6	83.6	23.6	0.0	25.3	0.4	589.5
	<u>6,613.5</u>	<u>1,063.9</u>	<u>291.1</u>	<u>0.0</u>	<u>378.7</u>	<u>5.3</u>	<u>8,352.4</u>

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CALIFORNIA WATER SERVICE CO.
PALOS VERDES DISTRICT

Adopted Quantities

2014 Test Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	0.0	564.2	564.2	\$ 1,446.7	\$ -	\$ 175.8
February	0.0	431.1	431.1	\$ 1,105.5	\$ -	\$ 134.3
March	0.0	613.3	613.3	\$ 1,572.4	\$ -	\$ 191.1
April	0.0	727.2	727.2	\$ 1,864.6	\$ -	\$ 226.5
May	0.0	866.6	866.6	\$ 2,222.0	\$ -	\$ 270.0
June	0.0	844.8	844.8	\$ 2,166.2	\$ -	\$ 263.2
July	0.0	958.9	958.9	\$ 2,458.6	\$ -	\$ 298.7
August	0.0	980.6	980.6	\$ 2,514.3	\$ -	\$ 305.5
September	0.0	904.0	904.0	\$ 2,317.9	\$ -	\$ 281.6
October	0.0	713.7	713.7	\$ 1,829.9	\$ -	\$ 222.3
November	0.0	633.0	633.0	\$ 1,623.1	\$ -	\$ 197.2
December	0.0	521.9	521.9	\$ 1,338.1	\$ -	\$ 162.6
	<u>0.0</u>	<u>8,759.4</u>	<u>8,759.4</u>	<u>\$ 22,459.3</u>	<u>\$ -</u>	<u>\$ 2,728.8</u>

APPENDIX Q**Page 8**CALIFORNIA WATER SERVICE CO.
PALOS VERDES DISTRICT

Monthly Revenue Summary (In \$1,000)

2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 1,913.9	\$ 448.0	\$ 2,361.9
February	\$ 1,821.4	\$ 448.0	\$ 2,269.4
March	\$ 1,737.0	\$ 448.0	\$ 2,184.9
April	\$ 2,460.1	\$ 448.0	\$ 2,908.1
May	\$ 3,043.9	\$ 448.0	\$ 3,491.9
June	\$ 3,143.1	\$ 448.0	\$ 3,591.0
July	\$ 3,621.9	\$ 448.0	\$ 4,069.9
August	\$ 3,572.6	\$ 448.0	\$ 4,020.6
September	\$ 3,822.9	\$ 448.0	\$ 4,270.9
October	\$ 3,060.8	\$ 448.0	\$ 3,508.8
November	\$ 2,497.3	\$ 448.0	\$ 2,945.3
December	\$ 2,295.2	\$ 448.0	\$ 2,743.1
TOTAL	\$ 32,990.1	\$ 5,375.8	\$ 38,366.0

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 2,088.8	\$ 766.6	\$ 2,855.4
February	\$ 1,805.1	\$ 766.6	\$ 2,571.7
March	\$ 1,990.8	\$ 766.6	\$ 2,757.4
April	\$ 2,048.2	\$ 766.6	\$ 2,814.7
May	\$ 2,406.0	\$ 691.9	\$ 3,097.9
June	\$ 3,096.8	\$ 766.6	\$ 3,863.3
July	\$ 3,487.1	\$ 766.6	\$ 4,253.6
August	\$ 3,416.9	\$ 766.6	\$ 4,183.5
September	\$ 3,639.2	\$ 766.6	\$ 4,405.7
October	\$ 3,112.7	\$ 766.6	\$ 3,879.2
November	\$ 2,663.8	\$ 766.6	\$ 3,430.3
December	\$ 2,354.2	\$ 766.6	\$ 3,120.7
TOTAL	\$ 32,109.5	\$ 9,124.0	\$ 41,233.5

APPENDIX Q

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CALIFORNIA WATER SERVICE CO.
PALOS VERDES DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)			8,759.4
Kwh / ccf			5,376.9
Total calculated KWH			47,098,169.7
Unit Cost		\$	0.0579
Power Cost		\$	2,728,849.6

TOTAL PURCHASED POWER (In \$1,000) \$ 2,728.8

PURCHASED WATER

West Basin - Tier 1 (KCcf.)			20,109
West Basin - Tier 2 (KCcf.)			0
West Basin - Tier 1		\$ 1,106.0	\$ 22,240,475.5
West Basin - Tier 2		\$ 1,256.0	\$ -
West Basin Capacity Charges @ \$6,000/cfs	53	\$ 5,500.0	\$ 289,850.0
West Basin Water Service Charge	115	\$ 46.0	\$ 63,480.0
Credit for Transfer of Water Rights From P.V. to H.R.	999	(\$135)	(\$134,525)

TOTAL PURCHASED WATER COST (In \$1,000) \$22,459.3

APPENDIX Q

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CALIFORNIA WATER SERVICE CO.
PALOS VERDES DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	0
ADOPTED CHEMICAL DOLLARS	\$ -
ADOPTED \$ per KCCF	\$ -
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$ -
TOTAL GROUNDWATER CHARGES	\$ -
ANNUAL WATERMASTER SERVICE	\$ -
TOTAL PUMP TAX EXPENSE	\$ -
UNCOLLECTIBLES RATE	0.07%
FRANCHISE TAX RATE	0.99%
BUSINESS LICENSE FEE	\$7.40
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.70574

APPENDIX Q
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CALIFORNIA WATER SERVICE CO.
 PALOS VERDES DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

			NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.06708%	0.06708%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.93292%	99.93292%
	FRANCHISE TAX RATE	0.99428%	0.99428%
3	LOCAL FRANCHISE (% * LINE 2)	0.99361%	0.99361%
	BUSINESS LICENSE RATE	0.00000%	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	1.06069%	1.06069%
6	1 - SUBTOTAL (100% - LINE 5)	98.93931%	98.93931%
7	CCFT (LINE 6 * 8.84%)	8.74623%	
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	0.00000%	
9	FIT (LINE 6 * 35 %)	31.56758%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	41.37450%	1.06069%
11	NET AFTER TAXES (1 - LINE 9)	58.62550%	98.93931%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.70574	1.01072

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.01072	0.47100
EQUITY	53.40%	With income Taxes	1.70574	0.91087
TOTAL	100.00%			1.38186

Adj. Net to Gros: **1.38186**

APPENDIX Q

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CALIFORNIA WATER SERVICE CO.
Palos Verdes District Bill Comparison**Typical Monthly Residential Bill for Metered Customers for 2014**

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 12.16	\$ 18.30	\$ 6.14	50.50%	
5	\$ 30.47	\$ 36.13	\$ 5.65	18.54%	
10	\$ 48.79	\$ 53.95	\$ 5.16	10.58%	
15	\$ 67.10	\$ 71.78	\$ 4.67	6.96%	
20	\$ 86.69	\$ 90.84	\$ 4.15	4.79%	(2)
24	\$ 102.36	\$ 106.10	\$ 3.73	3.65%	(3)
25	\$ 106.28	\$ 109.91	\$ 3.63	3.41%	
30	\$ 125.87	\$ 128.98	\$ 3.10	2.47%	(4)
35	\$ 145.46	\$ 148.04	\$ 2.58	1.77%	
40	\$ 168.97	\$ 170.92	\$ 1.95	1.16%	
45	\$ 192.47	\$ 193.80	\$ 1.33	0.69%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 3.6631	\$ 3.5653	\$ -0.10	-2.67%	
Tier 2	\$ 3.9177	\$ 3.8131	\$ -0.10	-2.67%	
Tier 3	\$ 4.7013	\$ 4.5758	\$ -0.13	-2.67%	
Service Charge:	\$ 12.16	\$ 18.30	\$ 6.14	50.50%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 20 Ccf
- (3) Monthly average usage of 24 Ccf
- (4) Typical summer monthly average usage of 30 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX R

Page 1

CALIFORNIA WATER SERVICE CO.
REDWOOD - COAST SPRINGS DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT	PROPOSED	ESTIMATED	ESTIMATED
	RATES	RATES	RATES	RATES
	2014	2014	2015	2016
OPERATING REVENUES	\$414.2	\$513.7	\$512.0	\$510.2
% Increase		24.0%	-0.3%	-0.3%
OPERATING EXPENSES				
PURCHASED WATER	\$0.0	\$0.0	\$0.0	\$0.0
GROUNDWATER EXTRACTION CHARGES	\$0.0	\$0.0	\$0.0	\$0.0
PURCHASED POWER	\$11.0	\$11.0	\$11.0	\$11.0
PURCHASED CHEMICALS	\$3.0	\$3.0	\$3.0	\$3.0
PAYROLL -- DISTRICT	\$39.9	\$39.9	\$40.3	\$40.8
UNCOLLECTIBLES	\$0.2	\$0.3	\$0.3	\$0.3
CONSERVATION	\$1.5	\$1.5	\$1.5	\$1.5
OTHER OPERATION AND MAINTENANCE	\$101.9	\$101.9	\$103.0	\$104.2
BENEFITS	\$41.3	\$41.3	\$41.8	\$42.2
OTHER ADMIN AND GEN. EXP.	\$14.0	\$14.0	\$14.2	\$14.4
TOTAL O. & M., A. & G., & MISC. EXP.	\$212.8	\$212.9	\$215.1	\$217.3
TAXES OTHER THAN INCOME				
AD VALOREM TAXES	\$7.3	\$7.3	\$7.3	\$7.3
BUSINESS LICENSE FEES	\$0.0	\$0.0	\$0.0	\$0.0
LOCAL FRANCHISE TAXES	\$0.0	\$0.0	\$0.0	\$0.0
PAYROLL TAXES	\$4.4	\$4.4	\$4.5	\$4.5
TOTAL GENERAL TAXES	11.8	\$11.8	\$11.8	\$11.9
DEPRECIATION	\$73.9	\$73.9	\$73.3	\$72.8
G.O. PRORATED EXPENSES:				
PAYROLL AND BENEFITS	\$38.1	\$38.1	\$38.5	\$38.9
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$0.7	\$0.7	\$0.7	\$0.7
PAYROLL TAXES	\$2.4	\$2.4	\$2.4	\$2.5
OTHER PRORATED EXPENSES	\$25.5	\$25.5	\$25.8	\$26.1
TOTAL G.O. PRORATED EXPENSES	\$66.7	\$66.7	\$67.4	\$68.2
SUB -- TOTAL -- OPERATING EXPENSES	\$365.2	\$365.3	\$367.7	\$370.1
TOTAL INCOME TAXES:	\$3.8	\$41.4	\$40.5	\$39.6
TOTAL OPERATING EXPENSES	\$369.0	\$406.7	\$408.2	\$409.7
NET OPERATING REVENUE	\$45.2	\$107.0	\$103.7	\$100.5
DEPRECIATED RATE BASE	\$1,347.5	\$1,347.5	\$1,306.6	\$1,265.7
RATE OF RETURN	3.36%	7.94%	7.94%	7.94%

APPENDIX R

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CALIFORNIA WATER SERVICE CO.
REDWOOD - COAST SPRINGS DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$2,090.8	\$2,077.1	\$2,063.4
WTD. AVG. DEPRECIATION RESERVE	(603.9)	(657.4)	(\$710.8)
MATERIALS AND SUPPLIES	0.0	0.0	\$0.0
TANK PAINTING	0.0	0.0	\$0.0
WORKING CASH - LEAD - LAG	27.0	27.4	\$27.8
WORKING CASH - W / H EMPLOYEES	(0.2)	(0.2)	(\$0.2)
ADVANCES FOR CONSTRUCTION	0.0	0.0	\$0.0
CONTRIBUTIONS	(109.6)	(105.8)	(\$102.0)
AMORTIZATION OF INTANG.	(68.2)	(77.3)	(\$86.5)
DEFERRED TAXES	(135.0)	(140.1)	(\$145.2)
UNAMORT. I.T.C.	0.0	0.0	\$0.0
PRORATED G.O. RATE BASE	56.7	64.2	\$71.7
PRORATED REDWOOD VALLEY RATE BASE	90.0	118.8	\$147.5
TAXES ON ADVANCES	0.0	0.0	\$0.0
TAXES ON C.I.A.C.	0.0	0.0	\$0.0
WTG. AVG. RATE BASE	\$1,347.5	\$1,306.6	\$1,265.7
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$73.9	\$73.3	\$72.8
AD VALOREM TAXES	\$7.3	\$7.3	\$7.3
TOTAL INCOME TAXES AT AUTHORIZED RATE OF RETURN	\$41.4	\$40.5	\$39.6
NET OPERATING REVENUE	\$107.0	\$103.7	\$100.5

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CALIFORNIA WATER SERVICE CO.
 REDWOOD VALLEY DISTRICT (UMBRELLA)

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Redwood Valley	00079998	Cal Water RAMCAP Vulnerability Assessments	\$ 69,298	2015	2012 GRC	\$ 10,766
			<u>\$ 69,298</u>			<u>\$ 10,766</u>

Appendix R**Page 4**CALIFORNIA WATER SERVICE CO.
REDWOOD - COAST SPRINGS DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$414.2	\$513.7
EXPENSES		
PURCHASED WATER	\$0.0	\$0.0
PURCHASED POWER	\$11.0	\$11.0
PUMP TAXES	\$0.0	\$0.0
CHEMICALS	\$3.0	\$3.0
PAYROLL	\$39.9	\$39.9
OTHER O & M	\$103.4	\$103.4
OTHER A & G	\$55.4	\$55.4
G.O. PRORATIONS	\$60.3	\$60.3
PAYROLL TAXES	\$4.4	\$4.4
AD VALOREM TAXES	\$7.3	\$7.3
UNCOLLECTIBLES	\$0.2	\$0.3
FRANCHISE TAX & BUS LIC. FEES	\$0.0	\$0.0
TRANSPORTATION DEPRECIATION ADJUSTMENT	(\$0.2)	(\$0.2)
INTEREST EXPENSE	\$38.4	\$38.4
TOTAL DEDUCTIONS	\$323.1	\$323.1
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$101.2	\$101.2
NET STATE TAXABLE INCOME	(\$10.0)	\$89.4
STATE CORP. FRANCHISE TAX @ 8.84%	(\$0.9)	\$7.9
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$78.8	\$78.8
STATE INCOME TAX	(\$0.9)	\$7.9
LESS AMERICAN JOBS CREATION ACT DEDUCTION	(\$0.1)	\$8.0
NET FEDERAL TAXABLE INCOME	\$13.4	\$95.8
FEDERAL INCOME TAX @ 35.00%	\$4.7	\$33.5
INVESTMENT TAX CREDIT	\$0.0	\$0.0
TOTAL FEDERAL INCOME TAX	\$4.7	\$33.5
TOTAL INCOME TAXES	\$3.8	\$41.4

APPENDIX R

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**CALIFORNIA WATER SERVICE CO.
REDWOOD - COAST SPRINGS DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	238	239
	3/4	1	1
	1	13	13
	1 1/2	1	1
	2	0	0
	3	0	0
	4	0	0
	6	0	0
	8	0	0
	10	0	0
	12	0	0
	14	0	0
TOTAL		253	254

Metered Sales, KCcf		
All Water	7.6	7.6

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	246	247	6.9	6.9	2.3	2.3
BUSINESS	5	5	0.7	0.7	11.0	11.0
MULTIPLE FAMILY	-	-	-	-	-	-
INDUSTRIAL	-	-	-	-	-	-
PUBLIC AUTHORITY	2	2	0.0	0.0	0.8	0.8
OTHER	-	-	-	-	-	-
IRRIGATION	-	-	-	-	-	-
RECLAIMED	-	-	-	-	-	-
SUBTOTAL	253	254	7.6	7.6		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	-	-				
PUBLIC FIRE PROT	-	-				
TOTAL	253	254	7.6	7.6		
Unaccounted-for water	26.00%		2.7	2.7		
Total Production			10.2	10.3		

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CALIFORNIA WATER SERVICE CO.
REDWOOD - COAST SPRINGS DISTRICT

Adopted Quantities

2014 Test Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	1.0	0.1	0.0	0.0	0.0	0.0	1.1
February	0.0	0.1	0.0	0.0	0.0	0.0	0.1
March	0.9	0.0	0.0	0.0	0.0	0.0	1.0
April	0.0	0.0	0.0	0.0	0.0	0.0	0.0
May	1.0	0.1	0.0	0.0	0.0	0.0	1.2
June	0.0	0.0	0.0	0.0	0.0	0.0	0.0
July	1.1	0.1	0.0	0.0	0.0	0.0	1.2
August	0.0	0.0	0.0	0.0	0.0	0.0	0.0
September	1.7	0.2	0.0	0.0	0.0	0.0	1.8
October	0.0	0.0	0.0	0.0	0.0	0.0	0.0
November	1.1	0.1	0.0	0.0	0.0	0.0	1.2
December	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	6.9	0.7	0.0	0.0	0.0	0.0	7.6

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CALIFORNIA WATER SERVICE CO.
REDWOOD - COAST SPRINGS DISTRICT

Adopted Quantities

2014 Test Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	0.7	0.0	0.7	\$ -	\$ -	\$ 0.7
February	0.6	0.0	0.6	\$ -	\$ -	\$ 0.7
March	0.8	0.0	0.8	\$ -	\$ -	\$ 0.8
April	0.9	0.0	0.9	\$ -	\$ -	\$ 0.9
May	0.9	0.0	0.9	\$ -	\$ -	\$ 1.0
June	1.0	0.0	1.0	\$ -	\$ -	\$ 1.0
July	1.1	0.0	1.1	\$ -	\$ -	\$ 1.2
August	1.1	0.0	1.1	\$ -	\$ -	\$ 1.1
September	0.8	0.0	0.8	\$ -	\$ -	\$ 0.9
October	0.8	0.0	0.8	\$ -	\$ -	\$ 0.9
November	0.8	0.0	0.8	\$ -	\$ -	\$ 0.9
December	0.8	0.0	0.8	\$ -	\$ -	\$ 0.8
	<u>10.3</u>	<u>0.0</u>	<u>10.3</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11.0</u>

APPENDIX R

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CALIFORNIA WATER SERVICE CO.
REDWOOD - COAST SPRINGS DISTRICT

Monthly Revenue Summary (In \$1,000)

2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM		NON-WRAM		TOTAL
January	\$ 32.5	\$	16.1	\$	48.6
February	\$ 1.6	\$	16.1	\$	17.7
March	\$ 29.3	\$	16.1	\$	45.4
April	\$ (0.0)	\$	16.1	\$	16.1
May	\$ 33.3	\$	16.1	\$	49.4
June	\$ 0.0	\$	16.1	\$	16.1
July	\$ 35.4	\$	16.1	\$	51.5
August	\$ (0.0)	\$	16.1	\$	16.1
September	\$ 53.2	\$	16.1	\$	69.3
October	\$ 0.1	\$	16.1	\$	16.2
November	\$ 35.3	\$	16.1	\$	51.4
December	\$ 0.0	\$	16.1	\$	16.2
TOTAL	\$ 220.6	\$	193.6	\$	414.2

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM		NON-WRAM		TOTAL
January	\$ 20.2	\$	18.4	\$	38.6
February	\$ 12.8	\$	18.4	\$	31.2
March	\$ 19.1	\$	18.4	\$	37.5
April	\$ 14.9	\$	18.4	\$	33.3
May	\$ 25.3	\$	19.3	\$	44.6
June	\$ 25.3	\$	18.4	\$	43.7
July	\$ 37.6	\$	18.4	\$	56.0
August	\$ 29.5	\$	18.4	\$	47.9
September	\$ 42.5	\$	18.4	\$	60.9
October	\$ 23.1	\$	18.4	\$	41.5
November	\$ 26.7	\$	18.4	\$	45.2
December	\$ 14.9	\$	18.4	\$	33.3
TOTAL	\$ 291.8	\$	221.8	\$	513.7

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CALIFORNIA WATER SERVICE CO.
REDWOOD - COAST SPRINGS DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)	10.3
Kwh / ccf	5,775.0
Total calculated KWH	59,311.0
Unit Cost	\$0.1847
Power Cost	\$10,956
TOTAL PURCHASED POWER (In \$1,000)	\$11.0

APPENDIX R

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CALIFORNIA WATER SERVICE CO.
REDWOOD - COAST SPRINGS DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	10
ADOPTED CHEMICAL DOLLARS	\$ 3.0
ADOPTED \$ per KCCF	\$0.288753
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$ -
TOTAL GROUNDWATER CHARGES	\$ -
ANNUAL WATERMASTER SERVICE	\$ -
TOTAL PUMP TAX EXPENSE	\$ -
UNCOLLECTIBLES RATE	0.05%
FRANCHISE TAX RATE	0.00%
BUSINESS LICENSE FEE	\$0.00
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.61052

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CALIFORNIA WATER SERVICE CO.
REDWOOD - COAST SPRINGS DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

		NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.05427%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.94573%
	FRANCHISE TAX RATE	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%
	BUSINESS LICENSE RATE	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.05427%
6	1 - SUBTOTAL (100% - LINE 5)	99.94573%
7	CCFT (LINE 6 * 8.84%)	8.83520%
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	8.19995%
9	FIT (LINE 6 * 35 %)	29.01870%
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	37.90818%
11	NET AFTER TAXES (1 - LINE 9)	62.09182%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.61052
		1.00054

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.00054	0.46625
EQUITY	53.40%	With income Taxes	1.61052	0.86002
TOTAL	100.00%	Adj. Net to Gros:		1.32627

APPENDIX R

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CALIFORNIA WATER SERVICE CO.
Redwood - Coast Springs District Bill Comparison w/ Applicable RSF Discounts

Typical Monthly Residential Bill for Metered Customers for 2014

Usage:	Present Bill	Proposed Bill	Change	Percent Change	Notes
Ccf					(1)
0	\$ 58.22	\$ 66.73	\$ 8.50	14.60%	(7) (8)
1.91	\$ 94.12	\$ 75.36	\$ -18.76	-19.93%	(2) (7) (8)
2.33	\$ 102.01	\$ 77.26	\$ -24.75	-24.26%	(3) (7) (8)
2.36	\$ 102.57	\$ 77.39	\$ -25.18	-24.55%	(4) (7) (8)
5	\$ 152.18	\$ 259.59	\$ 107.41	70.58%	(7)
10	\$ 246.13	\$ 452.45	\$ 206.32	83.83%	(7)
15	\$ 340.09	\$ 645.32	\$ 305.23	89.75%	(7)
20	\$ 434.04	\$ 838.18	\$ 404.14	93.11%	(7)
25	\$ 527.99	\$ 1,031.05	\$ 503.05	95.28%	(7)
30	\$ 621.95	\$ 1,223.91	\$ 601.97	96.79%	(7)
35	\$ 715.90	\$ 1,416.78	\$ 700.88	97.90%	(7)
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 29.1607	\$ 38.5729	\$ 9.41	32.28%	
Tier 2	\$ 29.1607	\$ 38.5729	\$ 9.41	32.28%	
Tier 3	\$ 29.1607	\$ 38.5729	\$ 9.41	32.28%	
Service Charge:	\$ 58.22	\$ 66.73	\$ 8.50	14.60%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 1.91 Ccf
- (3) Monthly average usage of 2.33 Ccf
- (4) Typical summer monthly average usage of 2.36 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills
- (7) RSF discount (\$10.37/Ccf) reflected in present bill amount
- (8) Proposed bills reflect quantity rates having been reduced to \$4.52/Ccf (up to 4 Ccf) on account of RSF discounts

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CALIFORNIA WATER SERVICE CO.
REDWOOD - LUCERNE DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT	PROPOSED	ESTIMATED	ESTIMATED
	RATES	RATES	RATES	RATES
	2014	2014	2015	2016
OPERATING REVENUES	\$1,438.0	\$2,170.9	\$2,161.1	\$2,151.6
% Increase		51.0%	-0.4%	-0.4%
OPERATING EXPENSES				
PURCHASED WATER	\$14.7	\$14.7	\$14.7	\$14.7
GROUNDWATER EXTRACTION CHARGES	\$0.0	\$0.0	\$0.0	\$0.0
PURCHASED POWER	\$99.2	\$99.2	\$99.2	\$99.2
PURCHASED CHEMICALS	\$24.5	\$24.5	\$24.7	\$25.0
PAYROLL -- DISTRICT	\$398.2	\$398.2	\$402.2	\$406.3
UNCOLLECTIBLES	\$11.0	\$16.6	\$16.8	\$17.0
CONSERVATION	\$6.4	\$6.4	\$6.4	\$6.4
OTHER OPERATION AND MAINTENANCE	\$293.1	\$293.1	\$296.1	\$299.1
BENEFITS	\$206.1	\$206.1	\$208.2	\$210.3
OTHER ADMIN AND GEN. EXP.	\$54.5	\$54.5	\$55.1	\$55.6
TOTAL O. & M., A. & G., & MISC. EXP.	\$1,107.8	\$1,113.4	\$1,123.5	\$1,133.7
TAXES OTHER THAN INCOME				
AD VALOREM TAXES	\$41.3	\$41.3	\$39.1	\$36.9
BUSINESS LICENSE FEES	\$0.0	\$0.0	\$0.0	\$0.0
LOCAL FRANCHISE TAXES	\$0.0	\$0.0	\$0.0	\$0.0
PAYROLL TAXES	\$21.8	\$21.8	\$22.0	\$22.2
TOTAL GENERAL TAXES	63.1	\$63.1	\$61.2	\$59.2
DEPRECIATION	\$193.6	\$193.6	\$193.3	\$192.9
G.O. PRORATED EXPENSES:				
PAYROLL AND BENEFITS	\$164.1	\$164.1	\$165.8	\$167.4
AD VALOREM , BUSINESS LICENSE, FRANCHISE	\$2.9	\$2.9	\$2.9	\$2.9
PAYROLL TAXES	\$10.1	\$10.1	\$10.2	\$10.3
OTHER PRORATED EXPENSES	\$109.8	\$109.8	\$110.9	\$112.1
TOTAL G.O. PRORATED EXPENSES	\$286.9	\$286.9	\$289.8	\$292.7
SUB -- TOTAL -- OPERATING EXPENSE:	\$1,651.5	\$1,657.1	\$1,667.8	\$1,678.5
TOTAL INCOME TAXES:	(\$137.7)	\$158.7	\$141.5	\$124.4
TOTAL OPERATING EXPENSES	\$1,513.8	\$1,815.7	\$1,809.3	\$1,803.0
NET OPERATING REVENUE	(\$75.8)	\$355.1	\$351.9	\$348.6
DEPRECIATED RATE BASE	\$4,472.4	\$4,472.4	\$4,431.5	\$4,390.5
RATE OF RETURN	-1.69%	7.94%	7.94%	7.94%

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CALIFORNIA WATER SERVICE CO.
REDWOOD - LUCERNE DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$6,200.5	\$6,280.8	\$6,361.2
WTD. AVG. DEPRECIATION RESERVE	(1,861.8)	(2,036.2)	(\$2,210.7)
MATERIALS AND SUPPLIES	9.1	9.1	\$9.1
TANK PAINTING	0.0	0.0	\$0.0
WORKING CASH - LEAD - LAG	260.5	244.1	\$227.6
WORKING CASH - W / H EMPLOYEES	(0.7)	(0.7)	(\$0.7)
ADVANCES FOR CONSTRUCTION	0.0	0.0	\$0.0
CONTRIBUTIONS	(143.7)	(156.3)	(\$168.9)
AMORTIZATION OF INTANG.	(0.5)	(0.5)	(\$0.5)
DEFERRED TAXES	(640.4)	(713.9)	(\$787.3)
UNAMORT. I.T.C.	0.0	0.0	\$0.0
PRORATED G.O. RATE BASE	243.9	276.1	\$308.3
PRORATED REDWOOD VALLEY RATE BASE	386.9	510.7	\$634.4
TAXES ON ADVANCES	0.0	0.0	\$0.0
TAXES ON C.I.A.C.	18.7	18.4	\$18.1
WTG. AVG. RATE BASE	\$4,472.4	\$4,431.5	\$4,390.5
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$193.6	\$193.3	\$192.9
AD VALOREM TAXES	\$41.3	\$39.1	\$36.9
TOTAL INCOME TAXES AT AUTHORIZED RATE	\$158.7	\$141.5	\$124.4
NET OPERATING REVENUE	\$355.1	\$351.9	\$348.6

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CALIFORNIA WATER SERVICE CO.
 REDWOOD VALLEY DISTRICT (UMBRELLA)

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Redwood Valley	00079998	Cal Water RAMCAP Vulnerability Assessments	\$ 69,298	2015	2012 GRC	\$ 10,766
			<u>\$ 69,298</u>			<u>\$ 10,766</u>

Note: This will be allocated between Coast Springs, Lucerne, and Unified Area based on adopted four-factor.

APPENDIX S**Page 4**CALIFORNIA WATER SERVICE CO.
REDWOOD - LUCERNE DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES	PROPOSED RATE
	<u>2014</u>	<u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$1,438.0	\$2,170.9
EXPENSES		
PURCHASED WATER	\$14.7	\$14.7
PURCHASED POWER	\$99.2	\$99.2
PUMP TAXES	\$0.0	\$0.0
CHEMICALS	\$24.5	\$24.5
PAYROLL	\$398.2	\$398.2
OTHER O & M	\$299.5	\$299.5
OTHER A & G	\$260.6	\$260.6
G.O. PRORATIONS	\$259.3	\$259.3
PAYROLL TAXES	\$21.8	\$21.8
AD VALOREM TAXES	\$41.3	\$41.3
UNCOLLECTIBLES	\$11.0	\$16.6
FRANCHISE TAX & BUS LIC. FEES	\$0.0	\$0.0
TRANSPORTATION DEPRECIATION ADJUSTMENT	(\$0.9)	(\$0.9)
INTEREST EXPENSE	\$122.2	\$122.2
TOTAL DEDUCTIONS	\$1,551.6	\$1,557.2
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$251.3	\$251.3
NET STATE TAXABLE INCOME	(\$364.9)	\$362.3
STATE CORP. FRANCHISE TAX @ 8.84%	(\$32.3)	\$32.0
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$219.8	\$219.8
STATE INCOME TAX	(\$32.3)	\$32.0
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$0.0	\$0.0
NET FEDERAL TAXABLE INCOME	(\$301.2)	\$361.8
FEDERAL INCOME TAX @ 35.00%	(\$105.4)	\$126.6
INVESTMENT TAX CREDIT	\$0.0	\$0.0
TOTAL FEDERAL INCOME TAX	(\$105.4)	\$126.6
TOTAL INCOME TAXES	(\$137.7)	\$158.7

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**CALIFORNIA WATER SERVICE CO.
REDWOOD - LUCERNE DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	1,193	1,180
	3/4	1	1
	1	7	7
	1 1/2	2	2
	2	2	2
	3	1	1
	4	0	0
	6	0	0
	8	0	0
	10	0	0
	12	0	0
	14	0	0
TOTAL		1,206	1,193

Metered Sales, KCcf		
All Water	96.5	95.6

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	1,141	1,129	71.9	71.1	5.3	5.3
BUSINESS	43	42	6.7	6.5	12.9	12.9
MULTIPLE FAMILY	13	13	16.5	16.5	105.8	105.8
INDUSTRIAL	-	-	-	-	0	0
PUBLIC AUTHORITY	9	9	1.5	1.5	13.6	13.6
OTHER	-	-	-	-	0	0
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	1,206	1,193	96.5	95.6		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	5	5				
PUBLIC FIRE PROT	-	-				
TOTAL	1,211	1,198	96.5	95.6		
Unaccounted-for water	20.70%		25.2	25.0		
Total Production			121.7	120.6		

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CALIFORNIA WATER SERVICE CO.
REDWOOD - LUCERNE DISTRICT

Adopted Quantities

2014 Test Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	4.3	0.8	1.0	0.0	0.0	0.0	6.1
February	5.7	0.3	1.2	0.0	0.1	0.0	7.3
March	3.8	0.6	0.9	0.0	0.1	0.0	5.4
April	5.1	0.2	1.7	0.0	0.1	0.0	7.1
May	4.4	0.7	0.9	0.0	0.2	0.0	6.3
June	6.8	0.2	1.6	0.0	0.1	0.0	8.6
July	6.9	1.1	1.4	0.0	0.3	0.0	9.8
August	9.8	0.3	2.3	0.0	0.1	0.0	12.5
September	6.9	1.1	1.3	0.0	0.3	0.0	9.7
October	8.1	0.3	2.0	0.0	0.1	0.0	10.6
November	4.9	0.8	0.9	0.0	0.1	0.0	6.7
December	5.1	0.2	1.2	0.0	0.1	0.0	6.6
	71.9	6.7	16.5	0.0	1.5	0.0	96.5

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CALIFORNIA WATER SERVICE CO.
REDWOOD - LUCERNE DISTRICT

Adopted Quantities

2014 Test Year

Production	Company	Purchases		Purchased		Purchased
Month	Wells (Kccf)	(Kccf)	Total (Kccf)	Water	Pump Taxes	Power
				(In \$1,000)	(In \$1,000)	(In \$1,000)
January	0.0	9.1	9.1	\$ 1.1	\$ -	\$ 7.4
February	0.0	8.2	8.2	\$ 1.0	\$ -	\$ 6.7
March	0.0	9.2	9.2	\$ 1.1	\$ -	\$ 7.5
April	0.0	8.6	8.6	\$ 1.0	\$ -	\$ 7.0
May	0.0	10.0	10.0	\$ 1.2	\$ -	\$ 8.2
June	0.0	11.0	11.0	\$ 1.3	\$ -	\$ 9.0
July	0.0	13.7	13.7	\$ 1.7	\$ -	\$ 11.1
August	0.0	12.9	12.9	\$ 1.6	\$ -	\$ 10.5
September	0.0	11.7	11.7	\$ 1.4	\$ -	\$ 9.5
October	0.0	9.6	9.6	\$ 1.2	\$ -	\$ 7.8
November	0.0	8.7	8.7	\$ 1.1	\$ -	\$ 7.1
December	0.0	9.1	9.1	\$ 1.1	\$ -	\$ 7.4
	<u>0.0</u>	<u>121.7</u>	<u>121.7</u>	<u>\$ 14.7</u>	<u>\$ -</u>	<u>\$ 99.2</u>

APPENDIX S**Page 8**CALIFORNIA WATER SERVICE CO.
REDWOOD - LUCERNE DISTRICTMonthly Revenue Summary (In \$1,000)
2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 47.2	\$ 57.8	\$ 105.0
February	\$ 56.0	\$ 57.8	\$ 113.9
March	\$ 41.3	\$ 57.8	\$ 99.2
April	\$ 54.7	\$ 57.8	\$ 112.5
May	\$ 48.1	\$ 57.8	\$ 106.0
June	\$ 66.6	\$ 57.8	\$ 124.5
July	\$ 75.1	\$ 57.8	\$ 132.9
August	\$ 96.1	\$ 57.8	\$ 154.0
September	\$ 74.9	\$ 57.8	\$ 132.7
October	\$ 81.5	\$ 57.8	\$ 139.3
November	\$ 51.6	\$ 57.8	\$ 109.4
December	\$ 50.7	\$ 57.8	\$ 108.5
TOTAL	\$ 743.8	\$ 694.2	\$ 1,438.0

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 74.8	\$ 62.6	\$ 137.4
February	\$ 80.7	\$ 62.6	\$ 143.3
March	\$ 70.3	\$ 62.6	\$ 132.9
April	\$ 88.2	\$ 62.6	\$ 150.8
May	\$ 98.1	\$ 67.9	\$ 166.0
June	\$ 144.9	\$ 62.6	\$ 207.5
July	\$ 169.4	\$ 62.6	\$ 232.0
August	\$ 181.0	\$ 62.6	\$ 243.6
September	\$ 173.6	\$ 62.6	\$ 236.2
October	\$ 142.3	\$ 62.6	\$ 204.9
November	\$ 104.1	\$ 62.6	\$ 166.7
December	\$ 87.1	\$ 62.6	\$ 149.7
TOTAL	\$ 1,414.3	\$ 756.5	\$ 2,170.9

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CALIFORNIA WATER SERVICE CO.
REDWOOD - LUCERNE DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)		121.7
Kwh / ccf		4,499.1
Total calculated KWH		547,544.5
Unit Cost		\$0.1812
Power Cost	\$	99,240.1
TOTAL PURCHASED POWER (In \$1,000)	\$	99.2

PURCHASED WATER

YOLO COUNTY FLOOD CONTROL & WATER CONSERVATI		
PURCHASES - KCCF (TABLE 4-D)		121.7
- ACRE FEET (KCCF x 2.2957)		279.4
UNIT COST per ACRE FOOT	\$	52.5
QUANTITY CHARGES	\$	14,669.0
TOTAL PURCHASED WATER COST (In \$1,000)	\$	14.7

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CALIFORNIA WATER SERVICE CO.
REDWOOD - LUCERNE DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	122
ADOPTED CHEMICAL DOLLARS	\$ 24.5
ADOPTED \$ per KCCF	\$0.201230
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$ -
TOTAL GROUNDWATER CHARGES	\$ -
ANNUAL WATERMASTER SERVICE	\$ -
TOTAL PUMP TAX EXPENSE	\$ -
UNCOLLECTIBLES RATE	0.77%
FRANCHISE TAX RATE	0.00%
BUSINESS LICENSE FEE	\$0.00
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.70067

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CALIFORNIA WATER SERVICE CO.
 REDWOOD - LUCERNE DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

		<u>NORMAL W/O INCOME TAXES</u>	
1	UNCOLLECTIBLES	0.76587%	0.76587%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.23413%	99.23413%
	FRANCHISE TAX RATE	0.00000%	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%	0.00000%
	BUSINESS LICENSE RATE	0.00000%	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.76587%	0.76587%
6	1 - SUBTOTAL (100% - LINE 5)	99.23413%	99.23413%
7	CCFT (LINE 6 * 8.84%)	8.77230%	
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	0.00000%	
9	FIT (LINE 6 * 35 %)	31.66164%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	41.19981%	0.76587%
11	NET AFTER TAXES (1 - LINE 9)	58.80019%	99.23413%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.70067	1.00772

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.00772	0.46960
EQUITY	53.40%	With income Taxes	1.70067	0.90816
TOTAL	100.00%			1.37776
		Adj. Net to Gross		

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CALIFORNIA WATER SERVICE CO.
Redwood - Lucerne District Bill Comparison w/ Applicable RSF Discounts

Typical Monthly Residential Bill for Metered Customers for 2014

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 22.11	\$ 50.26	\$ 28.15	127.32%	(7) (8)
3	\$ 45.23	\$ 63.82	\$ 18.59	41.11%	(2) (7) (8)
5	\$ 60.64	\$ 72.86	\$ 12.22	20.15%	(3) (7) (8)
6	\$ 68.35	\$ 77.38	\$ 9.03	13.22%	(4) (7) (8)
10	\$ 99.17	\$ 95.46	\$ -3.71	-3.74%	(7) (8)
15	\$ 137.70	\$ 270.05	\$ 132.35	96.11%	(7)
20	\$ 176.23	\$ 343.31	\$ 167.08	94.80%	(7)
25	\$ 214.76	\$ 416.57	\$ 201.81	93.97%	(7)
30	\$ 253.29	\$ 489.84	\$ 236.54	93.39%	(7)
35	\$ 291.83	\$ 563.10	\$ 271.27	92.96%	(7)
40	\$ 330.36	\$ 636.36	\$ 306.00	92.63%	(7)
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 7.7062	\$ 14.6525	\$ 6.95	90.14%	
Tier 2	\$ 7.7062	\$ 14.6525	\$ 6.95	90.14%	
Tier 3	\$ 7.7062	\$ 14.6525	\$ 6.95	90.14%	
Service Charge:	\$ 46.11	\$ 50.26	\$ 4.15	9.00%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 3 Ccf
- (3) Monthly average usage of 5 Ccf
- (4) Typical summer monthly average usage of 6 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills
- (7) RSF discount (\$24.00/month) reflected in present bill amount
- (8) Proposed bills reflect quantity rates having been reduced to \$4.52/Ccf (up to 10 Ccf) on account of RSF discount

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CALIFORNIA WATER SERVICE CO.
REDWOOD - UNIFIED DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT	PROPOSED	ESTIMATED	ESTIMATED
	RATES	RATES	RATES	RATES
	2014	2014	2015	2016
OPERATING REVENUES	\$561.7	\$802.4	\$797.5	\$792.6
% Increase		42.9%	-0.6%	-0.6%
OPERATING EXPENSES				
PURCHASED WATER	\$15.2	\$15.2	\$15.2	\$15.2
GROUNDWATER EXTRACTION CHARGES	\$0.0	\$0.0	\$0.0	\$0.0
PURCHASED POWER	\$16.4	\$16.4	\$16.4	\$16.4
PURCHASED CHEMICALS	\$1.7	\$1.7	\$1.7	\$1.7
PAYROLL -- DISTRICT	\$137.2	\$137.2	\$138.6	\$140.0
UNCOLLECTIBLES	\$4.0	\$5.8	\$5.8	\$5.9
CONSERVATION	\$2.1	\$2.1	\$2.1	\$2.1
OTHER OPERATION AND MAINTENANCE	\$82.7	\$82.7	\$83.6	\$84.4
BENEFITS	\$71.8	\$71.8	\$72.6	\$73.3
OTHER ADMIN AND GEN. EXP.	\$25.3	\$25.3	\$25.6	\$25.9
TOTAL O. & M., A. & G., & MISC. EXP.	\$356.5	\$358.2	\$361.5	\$364.8
TAXES OTHER THAN INCOME				
AD VALOREM TAXES	\$10.5	\$10.5	\$10.0	\$9.4
BUSINESS LICENSE FEES	\$0.0	\$0.0	\$0.0	\$0.0
LOCAL FRANCHISE TAXES	\$0.0	\$0.0	\$0.0	\$0.0
PAYROLL TAXES	\$9.4	\$9.4	\$9.5	\$9.6
TOTAL GENERAL TAXES	20.0	\$20.0	\$19.5	\$19.1
DEPRECIATION	\$106.2	\$106.2	\$105.2	\$104.1
G.O. PRORATED EXPENSES:				
PAYROLL AND BENEFITS	\$53.4	\$53.4	\$53.9	\$54.5
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$1.0	\$1.0	\$1.0	\$1.0
PAYROLL TAXES	\$3.3	\$3.3	\$3.3	\$3.4
OTHER PRORATED EXPENSES	\$35.8	\$35.8	\$36.2	\$36.5
TOTAL G.O. PRORATED EXPENSES	\$93.5	\$93.5	\$94.4	\$95.4
SUB -- TOTAL -- OPERATING EXPENSES	\$576.1	\$577.9	\$580.6	\$583.4
TOTAL INCOME TAXES:	(\$27.4)	\$64.1	\$57.5	\$51.0
TOTAL OPERATING EXPENSES	\$548.7	\$641.9	\$638.2	\$634.4
NET OPERATING REVENUE	\$12.9	\$160.5	\$159.3	\$158.2
DEPRECIATED RATE BASE	\$2,021.1	\$2,021.1	\$2,006.6	\$1,992.0
RATE OF RETURN	0.64%	7.94%	7.94%	7.94%

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CALIFORNIA WATER SERVICE CO.
REDWOOD - UNIFIED DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$2,489.8	\$2,523.7	\$2,557.7
WTD. AVG. DEPRECIATION RESERVE	(723.9)	(806.7)	(\$889.5)
MATERIALS AND SUPPLIES	0.0	0.0	\$0.0
TANK PAINTING	0.0	0.0	\$0.0
WORKING CASH - LEAD - LAG	95.7	94.7	\$93.7
WORKING CASH - W / H EMPLOYEES	(0.2)	(0.2)	(\$0.2)
ADVANCES FOR CONSTRUCTION	0.0	0.0	\$0.0
CONTRIBUTIONS	(37.3)	(40.1)	(\$42.8)
AMORTIZATION OF INTANG.	(12.0)	(12.0)	(\$12.0)
DEFERRED TAXES	(0.8)	(13.6)	(\$26.4)
UNAMORT. I.T.C.	0.0	0.0	\$0.0
PRORATED G.O. RATE BASE	79.3	89.9	\$100.5
PRORATED REDWOOD VALLEY RATE BASE	126.0	166.3	\$206.6
TAXES ON ADVANCES	0.0	0.0	\$0.0
TAXES ON C.I.A.C.	4.8	4.7	\$4.5
WTG. AVG. RATE BASE	\$2,021.1	\$2,006.6	\$1,992.0
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$106.2	\$105.2	\$104.1
AD VALOREM TAXES	\$10.5	\$10.0	\$9.4
TOTAL INCOME TAXES AT AUTHORIZED RATE	\$64.1	\$57.5	\$51.0
NET OPERATING REVENUE	\$160.5	\$159.3	\$158.2

APPENDIX T
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CALIFORNIA WATER SERVICE CO.
REDWOOD VALLEY DISTRICT (UMBRELLA)

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Redwood Valley	00079998	Cal Water RAMCAP Vulnerability Assessments	\$ 69,298	2015	2012 GRC	\$ 10,766
			<u>\$ 69,298</u>			<u>\$ 10,766</u>

Note: This will be allocated between Coast Springs, Lucerne, and Unified Area based on adopted four-factor.

APPENDIX T**Page 4**CALIFORNIA WATER SERVICE CO.
REDWOOD - UNIFIED DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$561.7	\$802.4
EXPENSES		
PURCHASED WATER	\$15.2	\$15.2
PURCHASED POWER	\$16.4	\$16.4
PUMP TAXES	\$0.0	\$0.0
CHEMICALS	\$1.7	\$1.7
PAYROLL	\$137.2	\$137.2
OTHER O & M	\$84.8	\$84.8
OTHER A & G	\$97.2	\$97.2
G.O. PRORATIONS	\$84.5	\$84.5
PAYROLL TAXES	\$9.4	\$9.4
AD VALOREM TAXES	\$10.5	\$10.5
UNCOLLECTIBLES	\$4.0	\$5.8
FRANCHISE TAX & BUS LIC. FEES	\$0.0	\$0.0
TRANSPORTATION DEPRECIATION ADJUSTMENT	(\$0.3)	(\$0.3)
INTEREST EXPENSE	\$56.0	\$56.0
TOTAL DEDUCTIONS	\$516.6	\$518.4
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$73.3	\$73.3
NET STATE TAXABLE INCOME	(\$28.3)	\$210.7
STATE CORP. FRANCHISE TAX @ 8.84%	(\$2.5)	\$18.6
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$121.4	\$121.4
STATE INCOME TAX	(\$2.5)	\$18.6
LESS AMERICAN JOBS CREATION ACT DEDUCTION	(\$2.8)	\$14.1
NET FEDERAL TAXABLE INCOME	(\$71.1)	\$129.9
FEDERAL INCOME TAX @ 35.00%	(\$24.9)	\$45.5
INVESTMENT TAX CREDIT	\$0.0	\$0.0
TOTAL FEDERAL INCOME TAX	(\$24.9)	\$45.5
TOTAL INCOME TAXES	(\$27.4)	\$64.1

APPENDIX T

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**CALIFORNIA WATER SERVICE CO.
REDWOOD - UNIFIED DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	420	421
	3/4	2	2
	1	6	6
	1 1/2	0	0
	2	0	0
	3	1	1
	4	0	0
	6	0	0
	8	0	0
	10	0	0
	12	0	0
	14	0	0
	TOTAL	429	430

Metered Sales, KCcf		
All Water	32.3	31.9

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	417	418	27.9	27.6	5.6	5.5
BUSINESS	6	6	1.4	1.4	18.9	18.9
MULTIPLE FAMILY	3	3	2.5	2.4	69.1	68.0
INDUSTRIAL	-	-	-	-	0	0
PUBLIC AUTHORITY	3	3	0.5	0.5	12.9	12.9
OTHER	-	-	-	-	0	0
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	429	430	32.3	31.9		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	-	-				
PUBLIC FIRE PROT	-	-				
TOTAL	429	430	32.3	31.9		
Unaccounted-for water	15.80%		6.1	6.0		
Total Production			38.3	37.8		

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CALIFORNIA WATER SERVICE CO.
REDWOOD - UNIFIED DISTRICT

Adopted Quantities

2014 Test Year

Metered Sales (Kccf)	Residential	Business	Multi-Family	Industrial	Public Authority	Other	Total
Month							
January	3.5	0.2	0.5	0.0	0.0	0.0	4.3
February	0.2	0.0	0.0	0.0	0.0	0.0	0.3
March	3.1	0.1	0.4	0.0	0.1	0.0	3.7
April	0.3	0.0	0.0	0.0	0.0	0.0	0.3
May	3.4	0.2	0.3	0.0	0.1	0.0	3.9
June	0.3	0.0	0.0	0.0	0.0	0.0	0.4
July	5.0	0.3	0.5	0.0	0.1	0.0	5.8
August	0.5	0.0	0.0	0.0	0.0	0.0	0.5
September	6.2	0.3	0.5	0.0	0.1	0.0	7.0
October	0.4	0.0	0.0	0.0	0.0	0.0	0.4
November	4.7	0.3	0.3	0.0	0.0	0.0	5.4
December	0.3	0.0	0.0	0.0	0.0	0.0	0.3
	<u>27.9</u>	<u>1.4</u>	<u>2.5</u>	<u>0.0</u>	<u>0.5</u>	<u>0.0</u>	<u>32.3</u>

APPENDIX D**Page 7**CALIFORNIA WATER SERVICE CO.
REDWOOD - UNIFIED DISTRICT

Adopted Quantities

2014 Test Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	2.4	0.2	2.6	\$ 1.0	\$ -	\$ 1.1
February	2.1	0.1	2.3	\$ 0.8	\$ -	\$ 1.0
March	2.5	0.2	2.6	\$ 1.0	\$ -	\$ 1.1
April	2.6	0.2	2.7	\$ 1.0	\$ -	\$ 1.2
May	3.0	0.2	3.2	\$ 1.0	\$ -	\$ 1.4
June	3.6	0.3	3.8	\$ 1.4	\$ -	\$ 1.6
July	4.2	0.3	4.6	\$ 1.9	\$ -	\$ 1.9
August	4.1	0.4	4.5	\$ 2.3	\$ -	\$ 1.9
September	3.6	0.3	3.9	\$ 1.6	\$ -	\$ 1.6
October	2.9	0.2	3.2	\$ 1.2	\$ -	\$ 1.3
November	2.4	0.2	2.6	\$ 1.1	\$ -	\$ 1.1
December	2.3	0.2	2.5	\$ 0.9	\$ -	\$ 1.1
	<u>35.7</u>	<u>2.7</u>	<u>38.4</u>	<u>\$ 15.2</u>	<u>\$ -</u>	<u>\$ 16.4</u>

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CALIFORNIA WATER SERVICE CO.
 REDWOOD - UNIFIED DISTRICT
 Monthly Revenue Summary (In \$1,000)
 2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 34.8	\$ 24.7	\$ 59.5
February	\$ 2.2	\$ 24.7	\$ 27.0
March	\$ 30.1	\$ 24.7	\$ 54.8
April	\$ 2.4	\$ 24.7	\$ 27.1
May	\$ 32.3	\$ 24.7	\$ 57.1
June	\$ 3.3	\$ 24.7	\$ 28.0
July	\$ 47.5	\$ 24.7	\$ 72.2
August	\$ 4.1	\$ 24.7	\$ 28.9
September	\$ 57.9	\$ 24.7	\$ 82.6
October	\$ 3.7	\$ 24.7	\$ 28.5
November	\$ 44.0	\$ 24.7	\$ 68.8
December	\$ 2.4	\$ 24.7	\$ 27.1
TOTAL	\$ 264.7	\$ 296.9	\$ 561.7

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 29.4	\$ 30.2	\$ 59.6
February	\$ 13.9	\$ 30.2	\$ 44.1
March	\$ 26.4	\$ 30.2	\$ 56.6
April	\$ 16.6	\$ 30.2	\$ 46.8
May	\$ 36.2	\$ 32.4	\$ 68.6
June	\$ 36.7	\$ 30.2	\$ 66.9
July	\$ 66.4	\$ 30.2	\$ 96.6
August	\$ 46.4	\$ 30.2	\$ 76.6
September	\$ 72.9	\$ 30.2	\$ 103.1
October	\$ 32.8	\$ 30.2	\$ 62.9
November	\$ 43.4	\$ 30.2	\$ 73.6
December	\$ 17.0	\$ 30.2	\$ 47.2
TOTAL	\$ 438.1	\$ 364.3	\$ 802.4

CALIFORNIA WATER SERVICE CO.
REDWOOD - UNIFIED DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)		38.4
Kwh / ccf		2,316.2
Total calculated KWH		88,941.0
Unit Cost		\$0.1842
Power Cost	\$	16,383.7
TOTAL PURCHASED POWER (In \$1,000)	\$	16.4

PURCHASED WATER

Total water usage (KCcf.)		2.7
Base Rate (Service Charge)*	\$	1,650.0
Usage Rate	\$	5.0
TOTAL PURCHASED WATER COST (In \$1,000)	\$	15.2

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CALIFORNIA WATER SERVICE CO.
REDWOOD - UNIFIED DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	38
ADOPTED CHEMICAL DOLLARS (in \$1,000)	\$ 1.7
ADOPTED \$ per KCCF	\$0.044355
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$0
TOTAL GROUNDWATER CHARGES	\$0
ANNUAL WATERMASTER SERVICE	\$0
TOTAL PUMP TAX EXPENSE	\$0.0
UNCOLLECTIBLES RATE	0.717%
FRANCHISE TAX RATE	0.00%
BUSINESS LICENSE FEE	\$0.00
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.62657

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NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

			NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.71700%	0.71700%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.28300%	99.28300%
	FRANCHISE TAX RATE	0.00000%	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%	0.00000%
	BUSINESS LICENSE RATE	0.00000%	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.71700%	0.71700%
6	1 - SUBTOTAL (100% - LINE 5)	99.28300%	99.28300%
7	CCFT (LINE 6 * 8.84%)	8.77662%	
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	7.57149%	
9	FIT (LINE 6 * 35 %)	29.02721%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	38.52083%	0.71700%
11	NET AFTER TAXES (1 - LINE 9)	61.47917%	99.28300%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.62657	1.00722

ADOPTED
RATIO'S

DEBT	46.6%	Without income Taxes	1.00722	0.46937
EQUITY	53.4%	With income Taxes	1.62657	0.86859
TOTAL	100.0%			1.33795
		Adj. Net to Gross		

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CALIFORNIA WATER SERVICE CO.
Redwood - Unified District Bill Comparison w/ Applicable RSF Discounts

Typical Monthly Residential Bill for Metered Customers for 2014

Usage:	Present Bill	Proposed Bill	Change	Percent Change	Notes
Ccf					(1)
0	\$ 54.58	\$ 66.97	\$ 12.39	22.70%	(7) (8)
4	\$ 78.16	\$ 85.05	\$ 6.89	8.81%	(2) (7) (8)
5	\$ 84.06	\$ 89.57	\$ 5.51	6.55%	(7) (8)
6	\$ 89.96	\$ 94.09	\$ 4.13	4.60%	(3) (7) (8)
7	\$ 95.85	\$ 98.61	\$ 2.76	2.88%	(4) (7) (8)
10	\$ 113.54	\$ 112.17	\$ -1.37	-1.21%	(7) (8)
15	\$ 143.02	\$ 270.73	\$ 127.71	89.29%	(7)
20	\$ 172.50	\$ 338.65	\$ 166.15	96.32%	(7)
25	\$ 201.98	\$ 406.56	\$ 204.58	101.29%	(7)
30	\$ 231.46	\$ 474.48	\$ 243.02	105.00%	(7)
35	\$ 260.94	\$ 542.40	\$ 281.46	107.87%	(7)
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 8.2059	\$ 13.5837	\$ 5.38	65.54%	
Tier 2	\$ 8.2059	\$ 13.5837	\$ 5.38	65.54%	
Tier 3	\$ 8.2059	\$ 13.5837	\$ 5.38	65.54%	
Service Charge:	\$ 54.58	\$ 66.97	\$ 12.39	22.70%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 4 Ccf
- (3) Monthly average usage of 6 Ccf
- (4) Typical summer monthly average usage of 7 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills
- (7) RSF discount (\$2.31/Ccf) reflected in present bill amount
- (8) Proposed bills reflect quantity rates having been reduced to \$4.52/Ccf (up to 10 Ccf) on account of RSF discounts

APPENDIX U
Page 1

CALIFORNIA WATER SERVICE CO.
SALINAS DISTRICT

SUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	<u>PRESENT</u>	<u>PROPOSED</u>	<u>ESTIMATED</u>	<u>ESTIMATED</u>
	RATES	RATES	RATES	RATES
	<u>2014</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
OPERATING REVENUES	\$24,419.2	\$27,049.0	\$27,863.5	\$28,674.8
% Increase		10.8%	3.0%	2.9%
OPERATING EXPENSES				
PURCHASED WATER	\$0.0	\$0.0	\$0.0	\$0.0
GROUNDWATER EXTRACTION CHARGES	\$42.0	\$42.0	\$42.1	\$42.2
PURCHASED POWER	\$1,575.8	\$1,575.8	\$1,579.9	\$1,584.0
PURCHASED CHEMICALS	\$229.3	\$229.3	\$232.3	\$235.3
PAYROLL -- DISTRICT	\$2,938.7	\$2,938.7	\$2,976.3	\$3,014.4
UNCOLLECTIBLES	\$98.7	\$109.3	\$110.7	\$111.8
CONSERVATION	\$535.1	\$535.1	\$536.5	\$537.9
OTHER OPERATION AND MAINTENANCE	\$3,714.4	\$3,714.4	\$3,762.2	\$3,810.7
BENEFITS	\$1,945.2	\$1,945.2	\$1,970.1	\$1,990.1
OTHER ADMIN AND GEN. EXP.	\$363.2	\$363.2	\$367.9	\$372.7
TOTAL O. & M., A. & G., & MISC. EXP.	\$11,442.4	\$11,453.0	\$11,578.0	\$11,699.0
TAXES OTHER THAN INCOME				
AD VALOREM TAXES	\$766.2	\$766.2	\$833.8	\$901.4
BUSINESS LICENSE FEES	\$597.1	\$661.4	\$663.2	\$664.9
LOCAL FRANCHISE TAXES	\$71.4	\$79.1	\$79.3	\$79.5
PAYROLL TAXES	\$217.7	\$217.7	\$220.5	\$223.3
TOTAL GENERAL TAXES	1,652.4	\$1,724.4	\$1,796.8	\$1,869.1
DEPRECIATION	\$2,734.9	\$2,734.9	\$2,898.0	\$3,061.2
G.O. PRORATED EXPENSES:				
PAYROLL AND BENEFITS	\$2,312.2	\$2,312.2	\$2,341.8	\$2,371.8
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$41.5	\$41.5	\$41.6	\$41.7
PAYROLL TAXES	\$143.0	\$143.0	\$144.8	\$146.7
OTHER PRORATED EXPENSES	\$1,547.2	\$1,547.2	\$1,567.1	\$1,587.3
TOTAL G.O. PRORATED EXPENSES	\$4,043.9	\$4,043.9	\$4,095.4	\$4,147.5
SUB -- TOTAL -- OPERATING EXPENSES	\$19,873.6	\$19,956.2	\$20,368.1	\$20,776.8
TOTAL INCOME TAXES:	\$961.4	\$1,926.2	\$1,979.0	\$2,031.8
TOTAL OPERATING EXPENSES	\$20,835.0	\$21,882.4	\$22,347.1	\$22,808.6
NET OPERATING REVENUE	\$3,584.2	\$5,166.6	\$5,516.4	\$5,866.2
DEPRECIATED RATE BASE	\$65,071.1	\$65,071.1	\$69,476.2	\$73,881.4
RATE OF RETURN	5.51%	7.94%	7.94%	7.94%

APPENDIX U

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CALIFORNIA WATER SERVICE CO.
SALINAS DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$138,430.4	\$144,863.5	\$151,296.5
WTD. AVG. DEPRECIATION RESERVE	(40,087.2)	(42,230.0)	(\$44,372.8)
MATERIALS AND SUPPLIES	488.0	488.0	\$488.0
TANK PAINTING	124.1	111.7	\$99.3
WORKING CASH - LEAD - LAG	1,359.2	1,355.3	\$1,351.4
WORKING CASH - W / H EMPLOYEES	(10.1)	(10.1)	(\$10.1)
ADVANCES FOR CONSTRUCTION	(11,877.3)	(11,433.4)	(\$10,989.4)
CONTRIBUTIONS	(13,441.3)	(13,272.9)	(\$13,104.6)
AMORTIZATION OF INTANG.	(641.7)	(747.6)	(\$853.5)
DEFERRED TAXES	(13,732.7)	(14,469.9)	(\$15,207.0)
UNAMORT. I.T.C.	(113.9)	(110.8)	(\$107.6)
PRORATED G.O. RATE BASE	3,437.1	3,891.2	\$4,345.3
TAXES ON ADVANCES	861.9	797.2	\$732.5
TAXES ON C.I.A.C.	274.5	243.9	\$213.4
WTG. AVG. RATE BASE	\$65,071.1	\$69,476.2	\$73,881.4
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$2,734.9	\$2,898.0	\$3,061.2
AD VALOREM TAXES	\$766.2	\$833.8	\$901.4
TOTAL INCOME TAXES AT AUTHORIZED	\$1,926.2	\$1,979.0	\$2,031.8
NET OPERATING REVENUE	\$5,166.6	\$5,516.4	\$5,866.2

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CALIFORNIA WATER SERVICE CO.
 SALINAS DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Salinas	00023267	New 150K Gallon Storage Tank - Buena Vista	\$ 1,349,215	2014	2009 GRC	\$ 194,784
	00069429	Sta. 70 - Tank 4	\$ 510,000	2014	2009 GRC	\$ 73,628
	00080000	Cal Water RAMCAP Vulnerability Assessments	\$ 168,595	2015	2012 GRC	\$ 24,340
			<u>\$ 2,027,810</u>			<u>\$ 292,751</u>

APPENDIX U**Page 4**CALIFORNIA WATER SERVICE CO.
SALINAS DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$24,419.2	\$27,049.0
EXPENSES		
PURCHASED WATER	\$0.0	\$0.0
PURCHASED POWER	\$1,575.8	\$1,575.8
PUMP TAXES	\$42.0	\$42.0
CHEMICALS	\$229.3	\$229.3
PAYROLL	\$2,938.7	\$2,938.7
OTHER O & M	\$4,249.5	\$4,249.5
OTHER A & G	\$2,308.4	\$2,308.4
G.O. PRORATIONS	\$3,654.8	\$3,654.8
PAYROLL TAXES	\$217.7	\$217.7
AD VALOREM TAXES	\$766.2	\$766.2
UNCOLLECTIBLES	\$98.7	\$109.3
FRANCHISE TAX & BUS LIC. FEES	\$668.5	\$740.5
TRANSPORTATION DEPRECIATION ADJUSTMENT	(\$83.7)	(\$83.7)
INTEREST EXPENSE	\$1,835.1	\$1,835.1
TOTAL DEDUCTIONS	\$18,501.1	\$18,583.7
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$4,910.6	\$4,910.6
NET STATE TAXABLE INCOME	\$1,007.5	\$3,554.7
STATE CORP. FRANCHISE TAX @ 8.84%	\$89.1	\$314.2
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$3,067.9	\$3,067.9
STATE INCOME TAX	\$89.1	\$314.2
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$119.6	\$328.6
NET FEDERAL TAXABLE INCOME	\$2,641.5	\$4,754.6
FEDERAL INCOME TAX @ 35.00%	\$924.5	\$1,664.1
INVESTMENT TAX CREDIT	\$52.2	\$52.2
TOTAL FEDERAL INCOME TAX	\$872.4	\$1,612.0
TOTAL INCOME TAXES	\$961.4	\$1,926.2

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**CALIFORNIA WATER SERVICE CO.
SALINAS DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	15,833	15,865
	3/4	26	26
	1	10,115	10,136
	1 1/2	566	569
	2	901	904
	3	138	139
	4	57	58
	6	22	22
	8	1	1
	10	1	1
	12	0	0
	14	0	0
	TOTAL		27,660

Metered Sales, KCcf		
All Water	6,604.6	6,628.0

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	24,363	24,419	3,289.0	3,296.6	11.3	11.3
BUSINESS	2,518	2,510	1,777.7	1,772.1	58.8	58.8
MULTIPLE FAMILY	428	442	657.4	678.9	128.0	128.0
INDUSTRIAL	32	32	532.9	532.9	1,387.8	1,387.8
PUBLIC AUTHORITY	311	312	339.5	339.5	91.0	90.7
OTHER	8	6	8.1	8.1	84	112
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	27,660	27,721	6,604.6	6,628.0		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	709	717				
PUBLIC FIRE PROT	47	50				
TOTAL	28,416	28,488	6,604.6	6,628.0		
Unaccounted-for water	12.66%		957.5	960.9		
Total Production			7,562.1	7,588.9		

APPENDIX U
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CALIFORNIA WATER SERVICE CO.
SALINAS DISTRICT

Adopted Quantities

Metered Sales (Kccf)	Test Year					Public Authority	Other	Total
	Residential	Business	Multi-Family	Industrial				
Month								
January	205.9	94.9	47.8	26.9	11.1	0.4	387.1	
February	195.0	89.9	44.0	25.3	11.0	0.4	365.6	
March	185.5	86.9	42.9	26.1	9.6	0.4	351.3	
April	215.8	100.0	48.7	28.2	15.2	0.5	408.4	
May	278.4	148.2	56.0	52.2	26.1	0.7	561.5	
June	312.3	189.8	57.0	56.6	41.3	0.9	657.8	
July	372.3	187.3	63.6	52.1	47.5	0.8	723.6	
August	354.9	197.6	65.6	59.7	52.6	0.9	731.4	
September	361.8	195.8	65.6	53.0	48.9	0.9	725.9	
October	325.3	191.7	62.4	53.7	38.9	0.9	672.8	
November	253.8	160.3	53.4	53.2	22.7	0.7	544.1	
December	227.9	135.3	50.5	46.0	14.7	0.6	475.0	
	<u>3,289.0</u>	<u>1,777.7</u>	<u>657.4</u>	<u>532.9</u>	<u>339.5</u>	<u>8.1</u>	<u>6,604.6</u>	

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CALIFORNIA WATER SERVICE CO.
 SALINAS DISTRICT

Adopted Quantities

Production	Company Wells (Kccf)	Purchases (Kccf)	Test Year	Purchased Water	Pump Taxes	Purchased Power
			Total (Kccf)	(In \$1,000)	(In \$1,000)	(In \$1,000)
Month						
January	456.1	0.0	456.1	\$ -	\$ 2.5	\$ 95.0
February	390.9	0.0	390.9	\$ -	\$ 2.2	\$ 81.5
March	454.9	0.0	454.9	\$ -	\$ 2.5	\$ 94.8
April	614.5	0.0	614.5	\$ -	\$ 3.4	\$ 128.0
May	732.4	0.0	732.4	\$ -	\$ 4.1	\$ 152.6
June	775.2	0.0	775.2	\$ -	\$ 4.3	\$ 161.5
July	824.7	0.0	824.7	\$ -	\$ 4.6	\$ 171.8
August	827.0	0.0	827.0	\$ -	\$ 4.6	\$ 172.3
September	786.7	0.0	786.7	\$ -	\$ 4.4	\$ 163.9
October	683.3	0.0	683.3	\$ -	\$ 3.8	\$ 142.4
November	549.3	0.0	549.3	\$ -	\$ 3.1	\$ 114.5
December	467.1	0.0	467.1	\$ -	\$ 2.6	\$ 97.3
	<u>7,562.1</u>	<u>0.0</u>	<u>7,562.1</u>	<u>\$ -</u>	<u>\$ 42.0</u>	<u>\$ 1,575.8</u>

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CALIFORNIA WATER SERVICE CO.

SALINAS DISTRICT

Monthly Revenue Summary

2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 773.0	\$ 925.3	\$ 1,698.3
February	\$ 729.4	\$ 925.3	\$ 1,654.7
March	\$ 700.4	\$ 925.3	\$ 1,625.7
April	\$ 817.2	\$ 925.3	\$ 1,742.5
May	\$ 1,129.3	\$ 925.3	\$ 2,054.5
June	\$ 1,329.7	\$ 925.3	\$ 2,254.9
July	\$ 1,471.6	\$ 925.3	\$ 2,396.8
August	\$ 1,484.9	\$ 925.3	\$ 2,410.2
September	\$ 1,473.9	\$ 925.3	\$ 2,399.2
October	\$ 1,363.1	\$ 925.3	\$ 2,288.4
November	\$ 1,093.2	\$ 925.3	\$ 2,018.5
December	\$ 950.3	\$ 925.3	\$ 1,875.6
TOTAL	\$ 13,316.0	\$ 11,103.2	\$ 24,419.2

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 1,037.0	\$ 851.5	\$ 1,888.4
February	\$ 953.8	\$ 851.5	\$ 1,805.3
March	\$ 947.9	\$ 851.5	\$ 1,799.4
April	\$ 1,045.7	\$ 851.5	\$ 1,897.2
May	\$ 1,312.2	\$ 661.6	\$ 1,973.8
June	\$ 1,798.0	\$ 851.5	\$ 2,649.5
July	\$ 1,914.2	\$ 851.5	\$ 2,765.7
August	\$ 1,800.9	\$ 851.5	\$ 2,652.4
September	\$ 1,949.2	\$ 851.5	\$ 2,800.7
October	\$ 1,611.0	\$ 851.5	\$ 2,462.5
November	\$ 1,416.2	\$ 851.5	\$ 2,267.7
December	\$ 1,234.9	\$ 851.5	\$ 2,086.4
TOTAL	\$ 17,021.0	\$ 10,028.0	\$ 27,049.0

CALIFORNIA WATER SERVICE CO.
SALINAS DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)		7,562.1
Kwh / ccf		1,280.7
Total calculated KWH		9,684,517.0
Unit Cost per KWH	\$	0.2
Power Cost	\$	1,575,762.5

TOTAL PURCHASED POWER (In \$1,000) **\$ 1,575.8**

PURCHASED WATER

TOTAL PURCHASED WATER COST

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CALIFORNIA WATER SERVICE CO.
 SALINAS DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kcf)	7,562
ADOPTED CHEMICAL DOLLARS (in \$1000)	\$ 229.3
ADOPTED \$ per KCCF	\$0.030327
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	350.0
UNIT COST - ACRE FEET	\$ 120.0
TOTAL GROUNDWATER CHARGES	\$ 42,000.0
TOTAL PUMP TAX EXPENSE (In \$1,000)	\$ 42.0
UNCOLLECTIBLES RATE	0.40%
FRANCHISE TAX RATE	0.29%
BUSINESS LICENSE FEE (in \$1,000)	\$26.44
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.66167

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NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

			NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.40402%	0.40402%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.59598%	99.59598%
	FRANCHISE TAX RATE	0.29255%	0.29255%
3	LOCAL FRANCHISE (% * LINE 2)	0.29137%	0.29137%
	BUSINESS LICENSE RATE	2.44525%	2.44525%
4	BUSINESS LICENSE (% * LINE 2)	2.43537%	2.43537%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	3.13076%	3.13076%
6	1 - SUBTOTAL (100% - LINE 5)	96.86924%	96.86924%
7	CCFT (LINE 6 * 8.84%)	8.56324%	
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	7.94754%	
9	FIT (LINE 6 * 35 %)	28.12546%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	39.81946%	3.13076%
11	NET AFTER TAXES (1 - LINE 9)	60.18054%	96.86924%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.66167	1.03232

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.03232	0.48106
EQUITY	53.40%	With income Taxes	1.66167	0.88733
TOTAL	100.00%	Adj. Net to Gros:		<u>1.36839</u>

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CALIFORNIA WATER SERVICE CO.
Salinas District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 16.52	\$ 14.89	\$ -1.64	-9.90%	
5	\$ 26.17	\$ 27.22	\$ 1.05	4.01%	
10	\$ 36.23	\$ 40.08	\$ 3.85	10.62%	(2)
11	\$ 38.26	\$ 42.67	\$ 4.41	11.53%	(3)
15	\$ 46.39	\$ 53.06	\$ 6.67	14.39%	
16	\$ 48.42	\$ 55.66	\$ 7.24	14.95%	(4)
20	\$ 57.27	\$ 66.98	\$ 9.70	16.94%	
25	\$ 68.65	\$ 81.52	\$ 12.87	18.74%	
30	\$ 80.03	\$ 96.06	\$ 16.03	20.03%	
35	\$ 91.40	\$ 110.60	\$ 19.20	21.00%	
40	\$ 102.78	\$ 125.14	\$ 22.36	21.76%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 1.9298	\$ 2.4668	\$ 0.54	27.82%	
Tier 2	\$ 2.0314	\$ 2.5966	\$ 0.57	27.82%	
Tier 3	\$ 2.2752	\$ 2.9083	\$ 0.63	27.82%	
Service Charge:	\$ 16.52	\$ 14.89	\$ -1.64	-9.90%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 10 Ccf
- (3) Monthly average usage of 11 Ccf
- (4) Typical summer monthly average usage of 16 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX V

Page 1

CALIFORNIA WATER SERVICE CO.
SELMA DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT	PROPOSED	ESTIMATED	ESTIMATED
	RATES	RATES	RATES	RATES
	2014	2014	2015	2016
OPERATING REVENUES	\$4,165.9	\$4,985.7	\$5,027.6	\$5,068.9
% Increase		19.7%	0.8%	0.8%
OPERATING EXPENSES				
PURCHASED WATER	\$0.0	\$0.0	\$0.0	\$0.0
GROUNDWATER EXTRACTION CHARGES	\$0.0	\$0.0	\$0.0	\$0.0
PURCHASED POWER	\$347.8	\$347.8	\$348.5	\$349.2
PURCHASED CHEMICALS	\$21.3	\$21.3	\$21.6	\$21.8
PAYROLL -- DISTRICT	\$522.7	\$522.7	\$529.1	\$535.6
UNCOLLECTIBLES	\$16.7	\$20.0	\$20.3	\$20.5
CONSERVATION	\$28.6	\$28.6	\$28.7	\$28.8
OTHER OPERATION AND MAINTENANCE	\$381.7	\$381.7	\$386.3	\$391.1
BENEFITS	\$383.5	\$383.5	\$388.2	\$392.1
OTHER ADMIN AND GEN. EXP.	\$129.5	\$129.5	\$131.0	\$132.7
TOTAL O. & M., A. & G., & MISC. EXP.	\$1,831.7	\$1,835.0	\$1,853.7	\$1,871.7
TAXES OTHER THAN INCOME				
AD VALOREM TAXES	\$130.9	\$130.9	\$132.7	\$134.6
BUSINESS LICENSE FEES	\$0.7	\$0.7	\$0.7	\$0.7
LOCAL FRANCHISE TAXES	\$83.0	\$99.3	\$99.5	\$99.7
PAYROLL TAXES	\$39.0	\$39.0	\$39.5	\$40.0
TOTAL GENERAL TAXES	253.6	\$269.9	\$272.4	\$275.0
DEPRECIATION	\$752.0	\$752.0	\$768.7	\$785.4
G.O. PRORATED EXPENSES:				
PAYROLL AND BENEFITS	\$446.5	\$446.5	\$452.0	\$457.5
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$8.0	\$8.0	\$8.0	\$8.0
PAYROLL TAXES	\$27.6	\$27.6	\$27.9	\$28.3
OTHER PRORATED EXPENSES	\$298.7	\$298.7	\$302.4	\$306.1
TOTAL G.O. PRORATED EXPENSES	\$780.8	\$780.8	\$790.3	\$799.9
SUB -- TOTAL -- OPERATING EXPENSES	\$3,618.0	\$3,637.7	\$3,685.0	\$3,731.8
TOTAL INCOME TAXES:	\$73.4	\$376.4	\$381.1	\$385.9
TOTAL OPERATING EXPENSES	\$3,691.4	\$4,014.1	\$4,066.2	\$4,117.7
NET OPERATING REVENUE	\$474.5	\$971.6	\$961.4	\$951.2
DEPRECIATED RATE BASE	\$12,236.7	\$12,236.7	\$12,108.1	\$11,979.5
RATE OF RETURN	3.88%	7.94%	7.94%	7.94%

APPENDIX V**Page 2**CALIFORNIA WATER SERVICE CO.
SELMA DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$26,975.4	\$27,632.8	\$28,290.2
WTD. AVG. DEPRECIATION RESERVE	(7,580.3)	(8,275.7)	(\$8,971.1)
MATERIALS AND SUPPLIES	142.3	142.3	\$142.3
TANK PAINTING	0.0	0.0	\$0.0
WORKING CASH - LEAD - LAG	101.5	96.6	\$91.7
WORKING CASH - W / H EMPLOYEES	(1.9)	(1.9)	(\$1.9)
ADVANCES FOR CONSTRUCTION	(4,059.6)	(4,005.7)	(\$3,951.9)
CONTRIBUTIONS	(1,997.9)	(2,086.8)	(\$2,175.7)
AMORTIZATION OF INTANG.	(165.6)	(196.6)	(\$227.6)
DEFERRED TAXES	(2,104.6)	(2,105.8)	(\$2,107.0)
UNAMORT. I.T.C.	(21.4)	(21.0)	(\$20.6)
PRORATED G.O. RATE BASE	663.6	751.3	\$839.0
TAXES ON ADVANCES	223.4	117.9	\$12.4
TAXES ON C.I.A.C.	61.9	60.8	\$59.6
WTG. AVG. RATE BASE	\$12,236.7	\$12,108.1	\$11,979.5
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$752.0	\$768.7	\$785.4
AD VALOREM TAXES	\$130.9	\$132.7	\$134.6
TOTAL INCOME TAXES AT AUTHORIZED	\$376.4	\$381.1	\$385.9
NET OPERATING REVENUE	\$971.6	\$961.4	\$951.2

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CALIFORNIA WATER SERVICE CO.
SELMA DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Selma	00080001	Cal Water RAMCAP Vulnerability Assessments	\$ 78,152	2015	2012 GRC	\$ 11,742
			<u>\$ 78,152</u>			<u>\$ 11,742</u>

APPENDIX V**Page 4**CALIFORNIA WATER SERVICE CO.
SELMA DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$4,165.9	\$4,985.7
EXPENSES		
PURCHASED WATER	\$0.0	\$0.0
PURCHASED POWER	\$347.8	\$347.8
PUMP TAXES	\$0.0	\$0.0
CHEMICALS	\$21.3	\$21.3
PAYROLL	\$522.7	\$522.7
OTHER O & M	\$410.3	\$410.3
OTHER A & G	\$512.9	\$512.9
G.O. PRORATIONS	\$705.7	\$705.7
PAYROLL TAXES	\$39.0	\$39.0
AD VALOREM TAXES	\$130.9	\$130.9
UNCOLLECTIBLES	\$16.7	\$20.0
FRANCHISE TAX & BUS LIC. FEES	\$83.7	\$100.0
TRANSPORTATION DEPRECIATION ADJUSTMENT	(\$24.6)	(\$24.6)
INTEREST EXPENSE	\$348.8	\$348.8
TOTAL DEDUCTIONS	\$3,115.2	\$3,134.8
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$956.7	\$956.7
NET STATE TAXABLE INCOME	\$94.0	\$894.2
STATE CORP. FRANCHISE TAX @ 8.84%	\$8.3	\$79.0
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$813.4	\$813.4
STATE INCOME TAX	\$8.3	\$79.0
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$14.3	\$80.0
NET FEDERAL TAXABLE INCOME	\$214.7	\$878.5
FEDERAL INCOME TAX @ 35.00%	\$75.1	\$307.5
INVESTMENT TAX CREDIT	\$10.1	\$10.1
TOTAL FEDERAL INCOME TAX	\$65.1	\$297.4
TOTAL INCOME TAXES	\$73.4	\$376.4

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CALIFORNIA WATER SERVICE CO.
SELMA DISTRICT

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	4,126	4,406
	3/4	0	0
	1	365	380
	1 1/2	69	70
	2	167	169
	3	26	25
	4	12	12
	6	3	3
	8	0	0
	10	0	0
	12	0	0
	14	0	0
TOTAL		4,767	5,065

Metered Sales, KCcf		
All Water	1,744.1	1,830.8

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	4,138	4,438	1,158.6	1,242.6	23.3	23.3
BUSINESS	418	411	264.6	260.2	52.8	52.8
MULTIPLE FAMILY	64	67	152.7	159.9	198.8	198.8
INDUSTRIAL	23	24	33.4	33.4	121.2	116.1
PUBLIC AUTHORITY	120	122	128.7	128.7	89.4	87.9
OTHER	4	3	6.0	6.0	124	166
IRRIGATION	-	-	-	-	-	-
RECLAIMED	-	-	-	-	-	-
SUBTOTAL	4,767	5,065	1,744.1	1,830.8		
RESIDENTIAL FLAT	1,610	1,387	714.5	615.5		
PRIVATE FIRE PROT	77	78				
PUBLIC FIRE PROT	16	17				
TOTAL	6,470	6,547	2,458.5	2,446.3		
Unaccounted-for water			185.0	184.1		
			7.00%			
Total Production			2,643.6	2,630.4		

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CALIFORNIA WATER SERVICE CO.
 SELMA DISTRICT

Adopted Quantities

Metered Sales (Kccf)	2014 Test Year						Total
	Residential	Business	Multi-Family	Industrial	Public Authority	Other	
Month							
January	50.5	13.7	10.1	1.4	2.9	0.3	78.9
February	47.5	14.0	9.6	1.4	2.5	0.3	75.3
March	50.6	13.2	8.8	1.4	5.1	0.3	79.4
April	88.0	17.0	10.7	2.0	4.7	0.4	122.7
May	96.5	22.5	12.7	3.0	10.1	0.5	145.3
June	122.1	27.0	14.7	3.9	14.0	0.6	182.4
July	154.2	32.3	16.7	4.4	17.5	0.7	225.9
August	146.2	31.3	15.9	3.6	19.0	0.7	216.7
September	143.5	32.8	16.9	3.7	19.2	0.7	217.0
October	111.8	25.9	14.5	4.3	16.6	0.6	173.6
November	84.7	19.4	11.9	2.5	11.5	0.4	130.3
December	63.0	15.7	10.2	1.8	5.6	0.4	96.6
	1,158.6	264.6	152.7	33.4	128.7	6.0	1,744.1

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CALIFORNIA WATER SERVICE CO.
SELMA DISTRICT

Adopted Quantities

2014 Test Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	118.7	0.0	118.7	\$ -	\$ -	\$ 15.6
February	108.3	0.0	108.3	\$ -	\$ -	\$ 14.2
March	154.6	0.0	154.6	\$ -	\$ -	\$ 20.3
April	199.7	0.0	199.7	\$ -	\$ -	\$ 26.3
May	272.0	0.0	272.0	\$ -	\$ -	\$ 35.8
June	309.1	0.0	309.1	\$ -	\$ -	\$ 40.7
July	363.2	0.0	363.2	\$ -	\$ -	\$ 47.8
August	340.8	0.0	340.8	\$ -	\$ -	\$ 44.8
September	292.0	0.0	292.0	\$ -	\$ -	\$ 38.4
October	210.4	0.0	210.4	\$ -	\$ -	\$ 27.7
November	148.7	0.0	148.7	\$ -	\$ -	\$ 19.6
December	126.1	0.0	126.1	\$ -	\$ -	\$ 16.6
	<u>2,643.6</u>	<u>0.0</u>	<u>2,643.6</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 347.8</u>

APPENDIX V**Page 8**CALIFORNIA WATER SERVICE CO.
SELMA DISTRICTMonthly Revenue Summary (In \$1,000)
2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 77.6	\$ 203.4	\$ 281.0
February	\$ 73.8	\$ 203.4	\$ 277.2
March	\$ 78.1	\$ 203.4	\$ 281.4
April	\$ 120.1	\$ 203.4	\$ 323.4
May	\$ 143.8	\$ 203.4	\$ 347.2
June	\$ 180.7	\$ 203.4	\$ 384.1
July	\$ 224.4	\$ 203.4	\$ 427.8
August	\$ 215.6	\$ 203.4	\$ 419.0
September	\$ 215.9	\$ 203.4	\$ 419.3
October	\$ 172.0	\$ 203.4	\$ 375.4
November	\$ 128.5	\$ 203.4	\$ 331.9
December	\$ 94.7	\$ 203.4	\$ 298.1
TOTAL	\$ 1,725.3	\$ 2,440.6	\$ 4,165.9

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 252.1	\$ 223.5	\$ 475.6
February	\$ 248.7	\$ 223.5	\$ 472.3
March	\$ 256.9	\$ 223.5	\$ 480.4
April	\$ 219.0	\$ 223.5	\$ 442.6
May	\$ 184.4	\$ 223.5	\$ 407.9
June	\$ 168.0	\$ 223.5	\$ 391.5
July	\$ 156.3	\$ 223.5	\$ 379.8
August	\$ 144.7	\$ 223.5	\$ 368.3
September	\$ 147.8	\$ 223.5	\$ 371.4
October	\$ 153.0	\$ 223.5	\$ 376.5
November	\$ 173.7	\$ 198.8	\$ 372.5
December	\$ 223.4	\$ 223.5	\$ 446.9
TOTAL	\$ 2,327.9	\$ 2,657.8	\$ 4,985.7

CALIFORNIA WATER SERVICE CO.
SELMA DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)	2,643.6
Kwh / ccf	838.0
Total calculated KWH	2,215,467.2
Unit Cost per KWH	0.2
Power Cost	\$347,756
TOTAL PURCHASED POWER (In \$1,000)	\$347.8

PURCHASED WATER

TOTAL PURCHASED WATER COST

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CALIFORNIA WATER SERVICE CO.
SELMA DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	2,644
ADOPTED CHEMICAL DOLLARS (in \$1,000)	\$21.3
ADOPTED \$ per KCCF	\$0.008062
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$0
TOTAL GROUNDWATER CHARGES	\$0
ANNUAL WATERMASTER SERVICE	\$0
TOTAL PUMP TAX EXPENSE	\$0.0
UNCOLLECTIBLES RATE	0.40%
FRANCHISE TAX RATE	2.00%
BUSINESS LICENSE FEE (in \$1,000)	\$0.72
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.61614

APPENDIX V

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CALIFORNIA WATER SERVICE CO.
SELMA DISTRICT

**NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)**

2014

			NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.40187%	0.40187%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.59813%	99.59813%
	FRANCHISE TAX RATE	0.00000%	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%	0.00000%
	BUSINESS LICENSE RATE	0.00000%	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.40187%	0.40187%
6	1 - SUBTOTAL (100% - LINE 5)	99.59813%	99.59813%
7	CCFT (LINE 6 * 8.84%)	8.80447%	
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	8.17143%	
9	FIT (LINE 6 * 35 %)	28.91778%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	38.12412%	0.40187%
11	NET AFTER TAXES (1 - LINE 9)	61.87588%	99.59813%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.61614	1.00403

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.00403	0.46788
EQUITY	53.40%	With income Taxes	1.61614	0.86302
TOTAL	100.00%			1.33090

Adj. Net to

APPENDIX V
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CALIFORNIA WATER SERVICE CO.
Selma District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 18.76	\$ 18.86	\$ 0.09	0.50%	
5	\$ 23.46	\$ 25.20	\$ 1.74	7.40%	
10	\$ 28.17	\$ 31.55	\$ 3.38	12.00%	
13	\$ 31.01	\$ 35.38	\$ 4.37	14.10%	(2)
15	\$ 32.93	\$ 37.97	\$ 5.04	15.31%	
20	\$ 37.72	\$ 44.44	\$ 6.72	17.81%	
23	\$ 40.60	\$ 48.33	\$ 7.72	19.02%	(3)
25	\$ 42.52	\$ 50.92	\$ 8.39	19.74%	
30	\$ 47.32	\$ 57.39	\$ 10.07	21.28%	
35	\$ 52.19	\$ 63.96	\$ 11.77	22.55%	(4)
40	\$ 57.34	\$ 70.91	\$ 13.57	23.67%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 0.9405	\$ 1.2690	\$ 0.33	34.93%	
Tier 2	\$ 0.9597	\$ 1.2949	\$ 0.34	34.93%	
Tier 3	\$ 1.0298	\$ 1.3896	\$ 0.36	34.93%	
Service Charge:	\$ 18.76	\$ 18.86	\$ 0.09	0.50%	(5) (6)

Monthly Residential Bill for Flat-rate Customers for 2014

Lot size:					
6,000 sq. ft. or less	\$ 43.20	\$ 54.53	\$ 11.33	26.22%	
6,001-10,000 sq. ft.	\$ 53.02	\$ 66.28	\$ 13.26	25.01%	

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 13 Ccf
- (3) Monthly average usage of 23 Ccf
- (4) Typical summer monthly average usage of 35 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX W

Page 1

CALIFORNIA WATER SERVICE CO.
STOCKTON DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT	PROPOSED	ESTIMATED	ESTIMATED
	RATES	RATES	RATES	RATES
	2014	2014	2015	2016
OPERATING REVENUES	\$31,630.8	\$35,576.3	\$36,175.4	\$36,768.4
% Increase		12.5%	1.7%	1.6%
OPERATING EXPENSES				
PURCHASED WATER	\$8,668.9	\$8,668.9	\$8,694.3	\$8,719.9
GROUNDWATER EXTRACTION CHARGES	\$1,054.1	\$1,054.1	\$1,057.2	\$1,060.3
PURCHASED POWER	\$538.5	\$538.5	\$540.1	\$541.7
PURCHASED CHEMICALS	\$55.3	\$55.3	\$56.1	\$56.8
PAYROLL -- DISTRICT	\$3,811.4	\$3,811.4	\$3,861.4	\$3,912.0
UNCOLLECTIBLES	\$395.4	\$444.7	\$450.6	\$455.2
CONSERVATION	\$220.5	\$220.5	\$221.1	\$221.8
OTHER OPERATION AND MAINTENANCE	\$2,211.1	\$2,211.1	\$2,240.2	\$2,269.8
BENEFITS	\$2,447.1	\$2,447.1	\$2,479.2	\$2,504.4
OTHER ADMIN AND GEN. EXP.	\$343.1	\$343.1	\$347.7	\$352.3
TOTAL O. & M., A. & G., & MISC. EXP.	\$19,745.4	\$19,794.7	\$19,947.9	\$20,094.1
TAXES OTHER THAN INCOME				
AD VALOREM TAXES	\$702.9	\$702.9	\$735.6	\$768.3
BUSINESS LICENSE FEES	\$5.0	\$5.6	\$5.6	\$5.6
LOCAL FRANCHISE TAXES	\$153.7	\$172.8	\$173.4	\$173.9
PAYROLL TAXES	\$283.2	\$283.2	\$286.9	\$290.6
TOTAL GENERAL TAXES	1,144.8	\$1,164.5	\$1,201.5	\$1,238.5
DEPRECIATION	\$2,472.0	\$2,472.0	\$2,561.7	\$2,651.3
G.O. PRORATED EXPENSES:				
PAYROLL AND BENEFITS	\$2,987.6	\$2,987.6	\$3,026.8	\$3,066.5
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$53.6	\$53.6	\$53.8	\$53.9
PAYROLL TAXES	\$184.8	\$184.8	\$187.2	\$189.7
OTHER PRORATED EXPENSES	\$1,999.1	\$1,999.1	\$2,025.5	\$2,052.2
TOTAL G.O. PRORATED EXPENSES	\$5,225.1	\$5,225.1	\$5,293.2	\$5,362.3
SUB -- TOTAL -- OPERATING EXPENSES	\$28,587.3	\$28,656.4	\$29,004.3	\$29,346.1
TOTAL INCOME TAXES:	\$420.0	\$1,971.5	\$2,064.7	\$2,158.0
TOTAL OPERATING EXPENSES	\$29,007.4	\$30,627.9	\$31,069.0	\$31,504.1
NET OPERATING REVENUE	\$2,623.4	\$4,948.4	\$5,106.4	\$5,264.3
DEPRECIATED RATE BASE	\$62,322.9	\$62,322.9	\$64,312.0	\$66,301.2
RATE OF RETURN	4.21%	7.94%	7.94%	7.94%

APPENDIX W

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CALIFORNIA WATER SERVICE CO.
STOCKTON DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$125,353.1	\$130,089.2	\$134,825.2
WTD. AVG. DEPRECIATION RESERVE	(47,040.2)	(49,322.2)	(\$51,604.2)
MATERIALS AND SUPPLIES	491.9	491.9	\$491.9
TANK PAINTING	1,099.3	1,172.0	\$1,244.7
WORKING CASH - LEAD - LAG	1,541.2	1,651.5	\$1,761.8
WORKING CASH - W / H EMPLOYEES	(13.0)	(13.0)	(\$13.0)
ADVANCES FOR CONSTRUCTION	(6,008.6)	(5,891.8)	(\$5,775.0)
CONTRIBUTIONS	(4,819.0)	(4,979.3)	(\$5,139.5)
AMORTIZATION OF INTANG.	(330.1)	(401.1)	(\$472.2)
DEFERRED TAXES	(12,756.9)	(13,834.3)	(\$14,911.7)
UNAMORT. I.T.C.	(108.4)	(103.0)	(\$97.6)
PRORATED G.O. RATE BASE	4,440.8	5,027.7	\$5,614.6
TAXES ON ADVANCES	263.3	213.2	\$163.2
TAXES ON C.I.A.C.	209.3	211.2	\$213.0
WTG. AVG. RATE BASE	\$62,322.9	\$64,312.0	\$66,301.2
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$2,472.0	\$2,561.7	\$2,651.3
AD VALOREM TAXES	\$702.9	\$735.6	\$768.3
TOTAL INCOME TAXES AT AUTHORIZED	\$1,971.5	\$2,064.7	\$2,158.0
NET OPERATING REVENUE	\$4,948.4	\$5,106.4	\$5,264.3

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Page 3

CALIFORNIA WATER SERVICE CO.
STOCKTON DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Stockton	00016025	New Customer Service Center	\$ 1,215,000	2014	2007 GRC	\$ 175,554
	00020204	Drill, Develop and Equip New Well	\$ 2,121,100	2014	2009 GRC	\$ 306,475
	00079414	Modify/replace Steel Members of Elevated Tank support Structures	\$ 1,039,200	2014	2012 GRC	\$ 150,153
	00079416	Modify/replace Steel Members of Elevated Tank support Structures	\$ 989,400	2014	2012 GRC	\$ 142,957
	00079963	Cal Water RAMCAP Vulnerability Assessments	\$ 196,012	2015	2012 GRC	\$ 28,322
			<u>\$ 5,560,712</u>			<u>\$ 803,461</u>

APPENDIX W**Page 4**CALIFORNIA WATER SERVICE CO.
STOCKTON DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$31,630.8	\$35,576.3
EXPENSES		
PURCHASED WATER	\$8,668.9	\$8,668.9
PURCHASED POWER	\$538.5	\$538.5
PUMP TAXES	\$1,054.1	\$1,054.1
CHEMICALS	\$55.3	\$55.3
PAYROLL	\$3,811.4	\$3,811.4
OTHER O & M	\$2,431.6	\$2,431.6
OTHER A & G	\$2,790.2	\$2,790.2
G.O. PRORATIONS	\$4,722.4	\$4,722.4
PAYROLL TAXES	\$283.2	\$283.2
AD VALOREM TAXES	\$702.9	\$702.9
UNCOLLECTIBLES	\$395.4	\$444.7
FRANCHISE TAX & BUS LIC. FEES	\$158.7	\$178.4
TRANSPORTATION DEPRECIATION ADJUSTMENT	(\$134.9)	(\$134.9)
INTEREST EXPENSE	\$1,721.5	\$1,721.5
TOTAL DEDUCTIONS	\$27,199.2	\$27,268.3
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$6,868.5	\$6,868.5
NET STATE TAXABLE INCOME	(\$2,436.9)	\$1,439.6
STATE CORP. FRANCHISE TAX @ 8.84%	(\$215.4)	\$127.3
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$2,674.0	\$2,674.0
STATE INCOME TAX	(\$215.4)	\$127.3
LESS AMERICAN JOBS CREATION ACT DEDUCTION	(\$35.1)	\$45.0
NET FEDERAL TAXABLE INCOME	\$2,008.1	\$5,461.8
FEDERAL INCOME TAX @ 35.00%	\$702.8	\$1,911.6
INVESTMENT TAX CREDIT	\$67.4	\$67.4
TOTAL FEDERAL INCOME TAX	\$635.4	\$1,844.2
TOTAL INCOME TAXES	\$420.0	\$1,971.5

APPENDIX W

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CALIFORNIA WATER SERVICE CO.
STOCKTON DISTRICT

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	37,121	37,230
	3/4	37	37
	1	3,374	3,377
	1 1/2	536	540
	2	910	915
	3	185	186
	4	78	79
	6	34	34
	8	4	4
	10	0	0
	12	0	0
	14	0	0
TOTAL		42,280	42,403

Metered Sales, KCcf		
All Water	10,756.7	10,789.0

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	37,598	37,725	5,583.3	5,602.2	12.4	12.4
BUSINESS	3,792	3,769	2,527.4	2,512.0	55.5	55.5
MULTIPLE FAMILY	452	470	723.0	751.8	133.3	133.3
INDUSTRIAL	81	80	913.8	913.8	940.2	951.9
PUBLIC AUTHORITY	327	327	995.3	995.3	253.6	253.6
OTHER	30	32	13.9	13.9	38	36
IRRIGATION	-	-	-	-	0	0
RECLAIMED	-	-	-	-	0	0
SUBTOTAL	42,280	42,403	10,756.7	10,789.0		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	805	821				
PUBLIC FIRE PROT	39	38				
TOTAL	43,124	43,262	10,756.7	10,789.0		
Unaccounted-for water	6.16%		706.6	708.8		
Total Production			11,463.3	11,497.7		

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CALIFORNIA WATER SERVICE CO.
 STOCKTON DISTRICT

Adopted Quantities

Metered Sales (Kccf)	2014 Test Year					Public Authority	Other	Total
	Residential	Business	Multi-Family	Industrial				
Month								
January	297.0	272.3	74.5	88.1	156.8	3.0	891.7	
February	270.1	268.9	70.9	105.4	141.6	2.4	859.4	
March	299.4	274.3	68.0	97.0	136.7	1.2	876.6	
April	353.1	257.5	70.7	87.1	94.0	1.5	863.9	
May	478.8	183.2	48.9	73.0	59.2	0.8	844.0	
June	645.4	173.7	55.4	54.8	36.7	0.7	966.6	
July	729.5	161.5	51.4	65.8	32.4	0.4	1,041.0	
August	672.4	140.4	40.8	64.7	31.5	0.2	949.9	
September	673.5	160.0	56.7	66.6	35.4	0.1	992.4	
October	493.8	178.2	53.5	65.6	52.4	0.5	844.0	
November	360.0	204.9	60.5	62.4	86.4	0.8	774.9	
December	310.4	252.6	71.7	83.2	132.2	2.1	852.1	
	5,583.3	2,527.4	723.0	913.8	995.3	13.9	10,756.7	

APPENDIX W**Page 7**CALIFORNIA WATER SERVICE CO.
STOCKTON DISTRICT

Adopted Quantities

Production	2014 Test Year			Purchased	Pump Taxes	Purchased
	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Water (In \$1,000)	(In \$1,000)	Power (In \$1,000)
Month						
January	274.6	327.1	601.6	\$ 722.4	\$ 125.5	\$ 28.3
February	172.9	400.3	573.3	\$ 722.4	\$ 79.0	\$ 26.9
March	178.4	506.5	684.9	\$ 722.4	\$ 81.5	\$ 32.2
April	159.5	672.8	832.3	\$ 722.4	\$ 72.9	\$ 39.1
May	179.5	884.9	1,064.4	\$ 722.4	\$ 82.0	\$ 50.0
June	250.5	991.5	1,242.0	\$ 722.4	\$ 114.5	\$ 58.3
July	316.7	1,080.6	1,397.4	\$ 722.4	\$ 144.7	\$ 65.6
August	283.1	1,080.8	1,363.9	\$ 722.4	\$ 129.3	\$ 64.1
September	207.0	1,052.3	1,259.3	\$ 722.4	\$ 94.6	\$ 59.2
October	113.5	878.1	991.6	\$ 722.4	\$ 51.9	\$ 46.6
November	83.3	680.7	764.1	\$ 722.4	\$ 38.1	\$ 35.9
December	87.9	600.8	688.7	\$ 722.4	\$ 40.2	\$ 32.4
	<u>2,306.9</u>	<u>9,156.4</u>	<u>11,463.3</u>	<u>\$ 8,668.9</u>	<u>\$ 1,054.1</u>	<u>\$ 538.5</u>

APPENDIX W**Page 8**CALIFORNIA WATER SERVICE CO.
STOCKTON DISTRICTMonthly Revenue Summary (In \$1,000)
2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 1,786.8	\$ 792.3	\$ 2,579.0
February	\$ 1,718.0	\$ 792.3	\$ 2,510.3
March	\$ 1,756.1	\$ 792.3	\$ 2,548.4
April	\$ 1,744.4	\$ 792.3	\$ 2,536.7
May	\$ 1,736.0	\$ 792.3	\$ 2,528.3
June	\$ 2,034.6	\$ 792.3	\$ 2,826.9
July	\$ 2,212.2	\$ 792.3	\$ 3,004.5
August	\$ 2,008.4	\$ 792.3	\$ 2,800.7
September	\$ 2,096.3	\$ 792.3	\$ 2,888.6
October	\$ 1,742.7	\$ 792.3	\$ 2,535.0
November	\$ 1,573.7	\$ 792.3	\$ 2,366.0
December	\$ 1,714.2	\$ 792.3	\$ 2,506.5
TOTAL	\$ 22,123.5	\$ 9,507.3	\$ 31,630.8

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 1,324.5	\$ 957.4	\$ 2,281.9
February	\$ 1,177.0	\$ 957.4	\$ 2,134.4
March	\$ 1,374.5	\$ 957.4	\$ 2,331.9
April	\$ 1,462.6	\$ 957.4	\$ 2,420.0
May	\$ 1,852.1	\$ 771.1	\$ 2,623.2
June	\$ 2,684.9	\$ 957.4	\$ 3,642.3
July	\$ 3,113.5	\$ 957.4	\$ 4,070.9
August	\$ 2,910.1	\$ 957.4	\$ 3,867.5
September	\$ 2,970.8	\$ 957.4	\$ 3,928.2
October	\$ 2,269.2	\$ 957.4	\$ 3,226.6
November	\$ 1,721.7	\$ 957.4	\$ 2,679.1
December	\$ 1,412.8	\$ 957.4	\$ 2,370.2
TOTAL	\$ 24,273.8	\$ 11,302.6	\$ 35,576.3

CALIFORNIA WATER SERVICE CO.
STOCKTON DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)	11,463.3
Kwh / ccf	various
Total calculated KWH	2,876,623.6
Unit Cost	0.2
Power Cost	\$538,522
TOTAL PURCHASED POWER (In \$1,000)	\$538.5
PURCHASED WATER	
2012/13 RATES (monthly)	\$722.41
TOTAL PURCHASED WATER COST (In \$1,000)	\$8,668.9

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CALIFORNIA WATER SERVICE CO.
 STOCKTON DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	2,307
ADOPTED CHEMICAL DOLLARS (in \$1,000)	\$55.3
 ADOPTED \$ per KCCF	 \$0.023989
 PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	5,296.0
UNIT COST - ACRE FEET	199.0
TOTAL GROUNDWATER CHARGES	\$1,054,067
ANNUAL WATERMASTER SERVICE	\$0
 TOTAL PUMP TAX EXPENSE (In \$1,000)	 \$1,054.1
 UNCOLLECTIBLES RATE	 1.25%
FRANCHISE TAX RATE	0.49%
BUSINESS LICENSE FEE (in \$1,000)	\$5.60
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.69691

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CALIFORNIA WATER SERVICE CO.
 STOCKTON DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

		NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	1.24997%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	98.75003%
	FRANCHISE TAX RATE	0.48584%
3	LOCAL FRANCHISE (% * LINE 2)	0.47976%
	BUSINESS LICENSE RATE	0.01578%
4	BUSINESS LICENSE (% * LINE 2)	0.01559%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	1.74532%
6	1 - SUBTOTAL (100% - LINE 5)	98.25468%
7	CCFT (LINE 6 * 8.84%)	8.68571%
8	AMERICAN JOB CREATION ACT (LINE 6 *9%)	2.03100%
9	FIT (LINE 6 * 35 %)	30.63829%
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	41.06932%
11	NET AFTER TAXES (1 - LINE 9)	58.93068%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.69691
		1.01776

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.01776	0.47428
EQUITY	53.40%	With income Taxes	1.69691	0.90615
TOTAL	100.00%			<u>1.38043</u>

Adj. Net to Gros: **1.38043**

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CALIFORNIA WATER SERVICE CO.
Stockton District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 13.05	\$ 15.52	\$ 2.47	18.90%	
5	\$ 22.76	\$ 26.17	\$ 3.41	14.98%	
9	\$ 30.53	\$ 34.69	\$ 4.17	13.64%	(2)
10	\$ 32.64	\$ 37.01	\$ 4.37	13.39%	
12	\$ 36.85	\$ 41.63	\$ 4.78	12.97%	(3)
15	\$ 43.17	\$ 48.57	\$ 5.39	12.49%	
20	\$ 53.71	\$ 60.13	\$ 6.42	11.95%	(4)
25	\$ 66.11	\$ 73.73	\$ 7.62	11.53%	
30	\$ 78.50	\$ 87.33	\$ 8.83	11.25%	
35	\$ 90.90	\$ 100.93	\$ 10.03	11.04%	
40	\$ 103.30	\$ 114.54	\$ 11.24	10.88%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 1.9420	\$ 2.1307	\$ 0.19	9.72%	
Tier 2	\$ 2.1074	\$ 2.3122	\$ 0.20	9.72%	
Tier 3	\$ 2.4794	\$ 2.7204	\$ 0.24	9.72%	
Service Charge:	\$ 13.05	\$ 15.52	\$ 2.47	18.90%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 9 Ccf
- (3) Monthly average usage of 12 Ccf
- (4) Typical summer monthly average usage of 20 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX X

Page 1

CALIFORNIA WATER SERVICE CO.
VISALIA DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT	PROPOSED	ESTIMATED	ESTIMATED
	RATES	RATES	RATES	RATES
	2014	2014	2015	2016
OPERATING REVENUES	\$23,244.7	\$26,865.1	\$27,825.8	\$28,799.3
% Increase		15.6%	3.6%	3.5%
OPERATING EXPENSES				
PURCHASED WATER	\$0.0	\$0.0	\$0.0	\$0.0
GROUNDWATER EXTRACTION CHARGES	\$463.0	\$463.0	\$472.0	\$481.2
PURCHASED POWER	\$1,582.1	\$1,582.1	\$1,612.9	\$1,644.3
PURCHASED CHEMICALS	\$162.2	\$162.2	\$167.0	\$172.0
PAYROLL -- DISTRICT	\$3,169.1	\$3,169.1	\$3,263.6	\$3,360.8
UNCOLLECTIBLES	\$103.7	\$119.9	\$123.5	\$127.2
CONSERVATION	\$378.3	\$378.3	\$385.7	\$393.2
OTHER OPERATION AND MAINTENANCE	\$2,223.0	\$2,223.0	\$2,289.4	\$2,357.8
BENEFITS	\$2,348.9	\$2,348.9	\$2,419.0	\$2,491.2
OTHER ADMIN AND GEN. EXP.	\$166.7	\$166.7	\$171.7	\$176.9
TOTAL O. & M., A. & G., & MISC. EXP.	\$10,597.1	\$10,613.3	\$10,904.8	\$11,204.7
TAXES OTHER THAN INCOME				
AD VALOREM TAXES	\$676.2	\$676.2	\$689.9	\$703.7
BUSINESS LICENSE FEES	\$0.8	\$0.8	\$0.8	\$0.8
LOCAL FRANCHISE TAXES	\$0.0	\$0.0	\$0.0	\$0.0
PAYROLL TAXES	\$254.2	\$254.2	\$261.8	\$269.6
TOTAL GENERAL TAXES	931.2	\$931.2	\$952.5	\$974.1
DEPRECIATION	\$4,471.0	\$4,471.0	\$4,713.0	\$4,955.0
G.O. PRORATED EXPENSES:				
PAYROLL AND BENEFITS	\$2,659.4	\$2,659.4	\$2,738.7	\$2,820.3
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$47.7	\$47.7	\$48.6	\$49.6
PAYROLL TAXES	\$164.5	\$164.5	\$169.4	\$174.5
OTHER PRORATED EXPENSES	\$1,779.6	\$1,779.6	\$1,832.8	\$1,887.5
TOTAL G.O. PRORATED EXPENSES	\$4,651.2	\$4,651.2	\$4,789.5	\$4,931.9
SUB -- TOTAL -- OPERATING EXPENSES	\$20,650.5	\$20,666.7	\$21,359.8	\$22,065.7
TOTAL INCOME TAXES:	\$338.6	\$1,703.6	\$1,813.3	\$1,923.1
TOTAL OPERATING EXPENSES	\$20,989.1	\$22,370.3	\$23,173.2	\$23,988.8
NET OPERATING REVENUE	\$2,255.7	\$4,494.8	\$4,652.7	\$4,810.6
DEPRECIATED RATE BASE	\$56,609.1	\$56,609.1	\$58,597.7	\$60,586.3
RATE OF RETURN	3.98%	7.94%	7.94%	7.94%

APPENDIX X

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CALIFORNIA WATER SERVICE CO.
VISALIA DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$164,629.4	\$173,582.8	\$182,536.3
WTD. AVG. DEPRECIATION RESERVE	(43,940.3)	(48,297.9)	(\$52,655.6)
MATERIALS AND SUPPLIES	402.4	402.4	\$402.4
TANK PAINTING	130.4	117.3	\$104.3
WORKING CASH - LEAD - LAG	457.6	655.1	\$852.7
WORKING CASH - W / H EMPLOYEES	(11.6)	(11.6)	(\$11.6)
ADVANCES FOR CONSTRUCTION	(46,781.1)	(48,699.0)	(\$50,616.9)
CONTRIBUTIONS	(13,078.4)	(13,979.3)	(\$14,880.3)
AMORTIZATION OF INTANG.	(228.1)	(260.3)	(\$292.6)
DEFERRED TAXES	(11,682.7)	(12,031.4)	(\$12,380.1)
UNAMORT. I.T.C.	(93.4)	(92.0)	(\$90.7)
PRORATED G.O. RATE BASE	3,953.2	4,475.4	\$4,997.6
TAXES ON ADVANCES	2,025.9	1,859.5	\$1,693.1
TAXES ON C.I.A.C.	825.9	876.7	\$927.6
WTG. AVG. RATE BASE	\$56,609.1	\$58,597.7	\$60,586.3
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$4,471.0	\$4,713.0	\$4,955.0
AD VALOREM TAXES	\$676.2	\$689.9	\$703.7
TOTAL INCOME TAXES AT AUTHORIZED RATE OF RETURN	\$1,703.6	\$1,813.3	\$1,923.1
NET OPERATING REVENUE	\$4,494.8	\$4,652.7	\$4,810.5

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CALIFORNIA WATER SERVICE CO.
VISALIA DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Visalia	00016782	Drill, Develop & Equip New Well - Mill Creek	\$ 1,687,313	2014	2009 GRC	\$ 251,620
	00079994	Cal Water RAMCAP Vulnerability Assessments	\$ 236,331	2015	2012 GRC	\$ 35,243
	00028649	Install variable frequency drive, well level transducer and power meter at Sta. 74	\$ 82,695	2014	OEEP MA	\$ 12,332
			<u>\$ 2,006,340</u>			<u>\$ 299,194</u>

APPENDIX X**Page 4**CALIFORNIA WATER SERVICE CO.
VISALIA DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$23,244.7	\$26,865.1
EXPENSES		
PURCHASED WATER	\$0.0	\$0.0
PURCHASED POWER	\$1,582.1	\$1,582.1
PUMP TAXES	\$463.0	\$463.0
CHEMICALS	\$162.2	\$162.2
PAYROLL	\$3,169.1	\$3,169.1
OTHER O & M	\$2,601.3	\$2,601.3
OTHER A & G	\$2,515.7	\$2,515.7
G.O. PRORATIONS	\$4,203.7	\$4,203.7
PAYROLL TAXES	\$254.2	\$254.2
AD VALOREM TAXES	\$676.2	\$676.2
UNCOLLECTIBLES	\$103.7	\$119.9
FRANCHISE TAX & BUS LIC. FEES	\$0.8	\$0.8
TRANSPORTATION DEPRECIATION ADJUSTMENT	(\$138.3)	(\$138.3)
INTEREST EXPENSE	\$1,617.6	\$1,617.6
TOTAL DEDUCTIONS	\$17,211.3	\$17,227.5
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$5,987.5	\$5,987.5
NET STATE TAXABLE INCOME	\$45.9	\$3,650.1
STATE CORP. FRANCHISE TAX @ 8.84%	\$4.1	\$322.7
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$4,790.7	\$4,790.7
STATE INCOME TAX	\$4.1	\$322.7
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$111.5	\$407.2
NET FEDERAL TAXABLE INCOME	\$1,127.1	\$4,117.0
FEDERAL INCOME TAX @ 35.00%	\$394.5	\$1,440.9
INVESTMENT TAX CREDIT	\$60.0	\$60.0
TOTAL FEDERAL INCOME TAX	\$334.5	\$1,381.0
TOTAL INCOME TAXES	\$338.6	\$1,703.6

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CALIFORNIA WATER SERVICE CO.
VISALIA DISTRICT

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	30,703	31,116
	3/4	0	0
	1	7,824	7,944
	1 1/2	508	524
	2	1,462	1,498
	3	159	165
	4	47	48
	6	18	18
	8	7	7
	10	0	0
	12	0	0
	14	0	0
	TOTAL		40,728

Metered Sales, KCcf		
All Water	13,396.4	13,580.7

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	35,782	36,274	8,802.4	8,923.4	20.5	20.5
BUSINESS	2,855	2,831	2,175.5	2,157.2	63.5	63.5
MULTIPLE FAMILY	1,099	1,174	1,196.0	1,277.7	90.7	90.7
INDUSTRIAL	63	62	127.0	127.0	168.0	170.7
PUBLIC AUTHORITY	892	943	1,074.3	1,074.3	100.4	94.9
OTHER	37	37	21.1	21.1	48	48
IRRIGATION	-	-	-	-	-	-
RECLAIMED	-	-	-	-	-	-
SUBTOTAL	40,728	41,321	13,396.4	13,580.7		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	705	731				
PUBLIC FIRE PROT	80	83				
TOTAL	41,513	42,135	13,396.4	13,580.7		
Unaccounted-for water	7.00%		1,008.3	1,022.2		
Total Production			14,404.7	14,602.9		

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CALIFORNIA WATER SERVICE CO.
 VISALIA DISTRICT

Adopted Quantities

Metered Sales (Kccf)	2014 Test Year						Total
	Residential	Business	Multi-Family	Industrial	Public Authority	Other	
Month							
January	347.6	124.1	65.3	6.8	26.9	1.2	572.0
February	319.8	110.5	61.1	6.6	21.4	1.1	520.4
March	333.2	114.2	63.8	6.2	26.1	1.1	544.5
April	516.6	144.7	78.6	7.5	56.6	1.4	805.4
May	690.8	169.9	90.5	8.3	88.0	1.7	1,049.1
June	909.0	211.3	112.9	11.3	128.3	2.1	1,374.7
July	1,210.1	255.6	133.7	14.4	153.7	2.5	1,769.9
August	1,138.7	255.5	139.3	15.5	161.3	2.5	1,712.8
September	1,186.8	249.5	140.6	15.2	159.7	2.4	1,754.3
October	909.4	227.6	125.4	15.0	139.3	2.2	1,418.9
November	701.4	170.8	97.3	10.9	78.4	1.7	1,060.4
December	539.1	141.9	87.5	9.4	34.6	1.4	814.0
	8,802.4	2,175.5	1,196.0	127.0	1,074.3	21.1	13,396.4

APPENDIX X**Page 7**CALIFORNIA WATER SERVICE CO.
VISALIA DISTRICT

Adopted Quantities

2014 Test Year

Production	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
Month						
January	655.0	0.0	655.0	\$ -	\$ 21.1	\$ 71.9
February	596.8	0.0	596.8	\$ -	\$ 19.2	\$ 65.5
March	809.0	0.0	809.0	\$ -	\$ 26.0	\$ 88.9
April	1,044.4	0.0	1,044.4	\$ -	\$ 33.6	\$ 114.7
May	1,434.0	0.0	1,434.0	\$ -	\$ 46.1	\$ 157.5
June	1,656.8	0.0	1,656.8	\$ -	\$ 53.3	\$ 182.0
July	1,929.1	0.0	1,929.1	\$ -	\$ 62.0	\$ 211.9
August	1,851.8	0.0	1,851.8	\$ -	\$ 59.5	\$ 203.4
September	1,623.6	0.0	1,623.6	\$ -	\$ 52.2	\$ 178.3
October	1,231.9	0.0	1,231.9	\$ -	\$ 39.6	\$ 135.3
November	869.5	0.0	869.5	\$ -	\$ 27.9	\$ 95.5
December	702.7	0.0	702.7	\$ -	\$ 22.6	\$ 77.2
	<u>14,404.7</u>	<u>0.0</u>	<u>14,404.7</u>	<u>\$ -</u>	<u>\$ 463.0</u>	<u>\$ 1,582.1</u>

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CALIFORNIA WATER SERVICE CO.
VISALIA DISTRICT
Monthly Revenue Summary (In \$1,000)
2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 572.5	\$ 809.1	\$ 1,381.6
February	\$ 517.7	\$ 809.1	\$ 1,326.8
March	\$ 542.5	\$ 809.1	\$ 1,351.7
April	\$ 805.5	\$ 809.1	\$ 1,614.7
May	\$ 1,055.6	\$ 809.1	\$ 1,864.8
June	\$ 1,392.7	\$ 809.1	\$ 2,201.8
July	\$ 1,807.0	\$ 809.1	\$ 2,616.1
August	\$ 1,745.3	\$ 809.1	\$ 2,554.4
September	\$ 1,785.9	\$ 809.1	\$ 2,595.0
October	\$ 1,438.9	\$ 809.1	\$ 2,248.0
November	\$ 1,063.3	\$ 809.1	\$ 1,872.5
December	\$ 808.2	\$ 809.1	\$ 1,617.4
TOTAL	\$ 13,535.1	\$ 9,709.6	\$ 23,244.7

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 882.0	\$ 712.1	\$ 1,594.1
February	\$ 790.3	\$ 712.1	\$ 1,502.4
March	\$ 897.4	\$ 712.1	\$ 1,609.5
April	\$ 1,067.5	\$ 712.1	\$ 1,779.6
May	\$ 1,401.8	\$ 579.5	\$ 1,981.4
June	\$ 2,014.8	\$ 712.1	\$ 2,726.9
July	\$ 2,311.5	\$ 712.1	\$ 3,023.6
August	\$ 2,284.6	\$ 712.1	\$ 2,996.8
September	\$ 2,307.3	\$ 712.1	\$ 3,019.5
October	\$ 1,835.8	\$ 712.1	\$ 2,547.9
November	\$ 1,474.4	\$ 712.1	\$ 2,186.6
December	\$ 1,184.7	\$ 712.1	\$ 1,896.9
TOTAL	\$ 18,452.0	\$ 8,413.1	\$ 26,865.1

CALIFORNIA WATER SERVICE CO.
VISALIA DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)	14,404.7
Kwh / ccf	2,095.0
Total calculated KWH	30,177,539.0
Unit Cost	0.1
Power Cost	\$1,582,097
TOTAL PURCHASED POWER (In \$1,000)	\$1,582.1

PURCHASED WATER

TOTAL PURCHASED WATER COST \$0

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CALIFORNIA WATER SERVICE CO.
 VISALIA DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	14,074
ADOPTED CHEMICAL DOLLARS (in \$1,000)	\$162.2
ADOPTED \$ per KCCF	\$0.011525
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	33,068.7
UNIT COST - ACRE FEET	14.0
TOTAL GROUNDWATER CHARGES	\$462,962.0
TOTAL PUMP TAX EXPENSE (In \$1,000)	\$463.0
UNCOLLECTIBLES RATE	0.45%
FRANCHISE TAX RATE	0.00%
BUSINESS LICENSE FEE (in \$1,000)	\$0.80
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.61861

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CALIFORNIA WATER SERVICE CO.
VISALIA DISTRICT

**NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)**

2014

		NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.44632%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.55368%
	FRANCHISE TAX RATE	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%
	BUSINESS LICENSE RATE	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	0.44632%
6	1 - SUBTOTAL (100% - LINE 5)	99.55368%
7	CCFT (LINE 6 * 8.84%)	8.80055%
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	7.97641%
9	FIT (LINE 6 * 35 %)	28.97185%
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	38.21872%
11	NET AFTER TAXES (1 - LINE 9)	61.78128%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.61861
		1.00448

ADOPTED
RATIO'S

DEBT	46.60%	Without income Taxes	1.00448	0.46809
EQUITY	53.40%	With income Taxes	1.61861	0.86434
TOTAL	100.00%			1.33243
		Adj. Net to Gross		1.33243

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CALIFORNIA WATER SERVICE CO.
Visalia District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014					
Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes
0	\$ 11.75	\$ 10.13	\$ -1.62	-13.80%	(1)
5	\$ 16.53	\$ 16.65	\$ 0.12	0.70%	
10	\$ 21.31	\$ 23.16	\$ 1.85	8.69%	
12	\$ 23.24	\$ 25.80	\$ 2.55	10.99%	(2)
21	\$ 32.03	\$ 37.77	\$ 5.74	17.93%	(3)
25	\$ 35.93	\$ 43.09	\$ 7.16	19.93%	
30	\$ 40.92	\$ 49.90	\$ 8.98	21.93%	
31	\$ 42.02	\$ 51.39	\$ 9.37	22.31%	(4)
35	\$ 46.39	\$ 57.35	\$ 10.96	23.63%	
40	\$ 51.85	\$ 64.80	\$ 12.95	24.97%	
45	\$ 57.32	\$ 72.25	\$ 14.93	26.05%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 0.9562	\$ 1.3035	\$ 0.35	36.33%	
Tier 2	\$ 0.9757	\$ 1.3301	\$ 0.35	36.33%	
Tier 3	\$ 1.0928	\$ 1.4898	\$ 0.40	36.33%	
Service Charge:	\$ 11.75	\$ 10.13	\$ -1.62	-13.80%	(5) (6)

Monthly Residential Bill for Flat-rate Customers for 2014					
Lot size:					
6,000 sq. ft. or less	\$ 33.94	\$ 33.94	\$ -	0.00%	
6,001-10,000 sq. ft.	\$ 46.35	\$ 46.35	\$ -	0.00%	

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 12 Ccf
- (3) Monthly average usage of 21 Ccf
- (4) Typical summer monthly average usage of 31 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX Y

Page 1

CALIFORNIA WATER SERVICE CO.
WESTLAKE DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT	PROPOSED	ESTIMATED	ESTIMATED
	RATES	RATES	RATES	RATES
	2014	2014	2015	2016
OPERATING REVENUES	\$15,100.2	\$17,046.5	\$17,196.6	\$17,346.9
% Increase		12.9%	0.9%	0.9%
OPERATING EXPENSES				
PURCHASED WATER	\$9,791.6	\$9,791.6	\$9,793.5	\$9,795.5
GROUNDWATER EXTRACTION CHARGES	\$0.0	\$0.0	\$0.0	\$0.0
PURCHASED POWER	\$256.3	\$256.3	\$256.4	\$256.4
PURCHASED CHEMICALS	\$0.0	\$0.0	\$0.0	\$0.0
PAYROLL -- DISTRICT	\$723.2	\$723.2	\$730.7	\$738.2
UNCOLLECTIBLES	\$14.4	\$16.3	\$16.5	\$16.7
CONSERVATION	\$393.5	\$393.5	\$393.6	\$393.7
OTHER OPERATION AND MAINTENANCE	\$581.2	\$581.2	\$587.3	\$593.4
BENEFITS	\$409.9	\$409.9	\$414.2	\$418.4
OTHER ADMIN AND GEN. EXP.	\$135.5	\$135.5	\$136.9	\$138.3
TOTAL O. & M., A. & G., & MISC. EXP.	\$12,305.7	\$12,307.6	\$12,329.0	\$12,350.6
TAXES OTHER THAN INCOME				
AD VALOREM TAXES	\$167.0	\$167.0	\$166.3	\$165.6
BUSINESS LICENSE FEES	\$0.0	\$0.0	\$0.0	\$0.0
LOCAL FRANCHISE TAXES	\$163.7	\$184.8	\$184.9	\$184.9
PAYROLL TAXES	\$52.3	\$52.3	\$52.9	\$53.4
TOTAL GENERAL TAXES	383.1	\$404.2	\$404.1	\$404.0
DEPRECIATION	\$819.2	\$819.2	\$832.0	\$844.9
G.O. PRORATED EXPENSES:				
PAYROLL AND BENEFITS	\$904.2	\$904.2	\$913.6	\$923.0
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$16.2	\$16.2	\$16.2	\$16.2
PAYROLL TAXES	\$55.9	\$55.9	\$56.5	\$57.1
OTHER PRORATED EXPENSES	\$605.1	\$605.1	\$611.4	\$617.8
TOTAL G.O. PRORATED EXPENSES	\$1,581.4	\$1,581.4	\$1,597.6	\$1,614.1
SUB -- TOTAL -- OPERATING EXPENSES	\$15,089.4	\$15,112.4	\$15,162.8	\$15,213.5
TOTAL INCOME TAXES:	(\$260.9)	\$522.8	\$584.2	\$645.6
TOTAL OPERATING EXPENSES	\$14,828.5	\$15,635.2	\$15,747.0	\$15,859.1
NET OPERATING REVENUE	\$271.7	\$1,411.4	\$1,449.6	\$1,487.8
DEPRECIATED RATE BASE	\$17,775.6	\$17,775.6	\$18,257.0	\$18,738.3
RATE OF RETURN	1.53%	7.94%	7.94%	7.94%

APPENDIX Y

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CALIFORNIA WATER SERVICE CO.
WESTLAKE DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$38,830.4	\$39,442.8	\$40,055.3
WTD. AVG. DEPRECIATION RESERVE	(12,542.2)	(13,267.7)	(\$13,993.2)
MATERIALS AND SUPPLIES	183.0	183.0	\$183.0
TANK PAINTING	0.0	235.9	\$471.8
WORKING CASH - LEAD - LAG	125.5	123.4	\$121.2
WORKING CASH - W / H EMPLOYEES	(3.9)	(3.9)	(\$3.9)
ADVANCES FOR CONSTRUCTION	(2,526.9)	(2,389.4)	(\$2,251.9)
CONTRIBUTIONS	(3,034.9)	(2,931.0)	(\$2,827.2)
AMORTIZATION OF INTANG.	(140.9)	(174.6)	(\$208.3)
DEFERRED TAXES	(4,443.6)	(4,465.4)	(\$4,487.3)
UNAMORT. I.T.C.	(50.6)	(51.6)	(\$52.6)
PRORATED G.O. RATE BASE	1,344.2	1,521.8	\$1,699.4
TAXES ON ADVANCES	17.1	17.4	\$17.8
TAXES ON C.I.A.C.	18.5	16.3	\$14.1
WTG. AVG. RATE BASE	\$17,775.6	\$18,257.0	\$18,738.3
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$819.2	\$832.0	\$844.9
AD VALOREM TAXES	\$167.0	\$166.3	\$165.6
TOTAL INCOME TAXES AT AUTHORIZED	\$522.8	\$584.2	\$645.6
NET OPERATING REVENUE	\$1,411.4	\$1,449.6	\$1,487.8

APPENDIX Y

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CALIFORNIA WATER SERVICE CO.
WESTLAKE DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Westlake	00064175	Duesenberg Dr. Thousand Oaks Main Replacement	\$ 2,886,247	2015	2012 GRC	\$ 420,619
	00079967	Cal Water RAMCAP Vulnerability Assessments	\$ 69,151	2015	2012 GRC	\$ 10,078
			<u>\$ 2,955,399</u>			<u>\$ 430,697</u>

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CALIFORNIA WATER SERVICE CO.
WESTLAKE DISTRICTINCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$15,100.2	\$17,046.5
EXPENSES		
PURCHASED WATER	\$9,791.6	\$9,791.6
PURCHASED POWER	\$256.3	\$256.3
PUMP TAXES	\$0.0	\$0.0
CHEMICALS	\$0.0	\$0.0
PAYROLL	\$723.2	\$723.2
OTHER O & M	\$974.7	\$974.7
OTHER A & G	\$545.4	\$545.4
G.O. PRORATIONS	\$1,429.2	\$1,429.2
PAYROLL TAXES	\$52.3	\$52.3
AD VALOREM TAXES	\$167.0	\$167.0
UNCOLLECTIBLES	\$14.4	\$16.3
FRANCHISE TAX & BUS LIC. FEES	\$163.7	\$184.8
TRANSPORTATION DEPRECIATION ADJUSTMENT	(\$19.0)	(\$19.0)
INTEREST EXPENSE	\$508.0	\$508.0
TOTAL DEDUCTIONS	\$14,607.0	\$14,630.1
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$1,794.9	\$1,794.9
NET STATE TAXABLE INCOME	(\$1,301.8)	\$621.6
STATE CORP. FRANCHISE TAX @ 8.84%	(\$115.1)	\$54.9
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$966.6	\$966.6
STATE INCOME TAX	(\$115.1)	\$54.9
LESS AMERICAN JOBS CREATION ACT DEDUCTION	\$0.0	\$0.0
NET FEDERAL TAXABLE INCOME	(\$358.4)	\$1,394.9
FEDERAL INCOME TAX @ 35.00%	(\$125.4)	\$488.2
INVESTMENT TAX CREDIT	\$20.4	\$20.4
TOTAL FEDERAL INCOME TAX	(\$145.8)	\$467.8
TOTAL INCOME TAXES	(\$260.9)	\$522.8

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CALIFORNIA WATER SERVICE CO.
WESTLAKE DISTRICT

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	4,993	4,990
	3/4	0	0
	1	936	934
	1 1/2	326	323
	2	601	597
	3	19	19
	4	15	14
	6	4	4
	8	0	0
	10	0	0
	12	0	0
	14	0	0
TOTAL		6,893	6,882

Metered Sales, KCcf		
All Water	3,330.8	3,316.3

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	6,148	6,147	2,256.3	2,255.9	30.6	30.6
BUSINESS	504	494	711.1	697.0	117.6	117.6
MULTIPLE FAMILY	125	125	95.9	95.9	63.9	63.9
INDUSTRIAL	-	-	-	-	-	-
PUBLIC AUTHORITY	89	89	95.7	95.7	89.6	89.6
OTHER	11	11	2.8	2.8	21	21
IRRIGATION	-	-	-	-	-	-
RECYCLED	16	16	168.9	168.9	880	880
SUBTOTAL	6,893	6,882	3,330.8	3,316.3		
RESIDENTIAL FLAT	-	-	-	-		
PRIVATE FIRE PROT	135	136				
PUBLIC FIRE PROT	9	9				
TOTAL	7,037	7,027	3,330.8	3,316.3		
Unaccounted-for water	4.66%		162.9	162.2		
Total Production			3,493.7	3,478.5		

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CALIFORNIA WATER SERVICE CO.
 WESTLAKE DISTRICT

Adopted Quantities

Metered Sales (Kccf)	2014 Test Year					Public Authority	Other	Recycled	Total
	Residential	Business	Multi-Family	Industrial					
Month									
January	122.2	35.3	7.2	0.0	1.8	0.1	2.9	169.6	
February	122.8	36.4	6.4	0.0	2.5	0.1	5.5	173.9	
March	103.4	30.9	6.2	0.0	2.3	0.1	1.5	144.3	
April	160.3	48.2	7.8	0.0	4.1	0.2	5.3	225.8	
May	201.9	67.0	8.4	0.0	8.7	0.3	12.8	299.1	
June	216.4	75.6	8.5	0.0	11.6	0.3	14.1	326.5	
July	253.2	79.7	7.8	0.0	13.1	0.3	20.0	374.2	
August	255.4	84.0	10.9	0.0	13.6	0.3	30.1	394.4	
September	279.0	84.8	9.3	0.0	15.1	0.3	29.0	417.6	
October	223.2	73.1	8.5	0.0	10.9	0.3	25.8	341.8	
November	172.5	54.4	7.7	0.0	7.3	0.2	15.0	257.1	
December	146.0	41.8	7.0	0.0	4.7	0.2	7.0	206.7	
	<u>2,256.3</u>	<u>711.1</u>	<u>95.9</u>	<u>0.0</u>	<u>95.7</u>	<u>2.8</u>	<u>168.9</u>	<u>3,330.8</u>	

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CALIFORNIA WATER SERVICE CO.
WESTLAKE DISTRICT

Adopted Quantities

Production	Company Wells (Kccf)	Purchases (Kccf)	2014 Test Year		Purchased Water (In \$1,000)	Pump Taxes (In \$1,000)	Purchased Power (In \$1,000)
			Total (Kccf)				
Month							
January	0.0	198.1	198.1		\$ 555.2	\$ -	\$ 14.5
February	0.0	144.2	144.2		\$ 404.2	\$ -	\$ 10.6
March	0.0	199.9	199.9		\$ 560.2	\$ -	\$ 14.7
April	0.0	270.2	270.2		\$ 757.3	\$ -	\$ 19.8
May	0.0	368.4	368.4		\$ 1,032.5	\$ -	\$ 27.0
June	0.0	349.6	349.6		\$ 979.8	\$ -	\$ 25.6
July	0.0	400.7	400.7		\$ 1,123.0	\$ -	\$ 29.4
August	0.0	416.4	416.4		\$ 1,167.1	\$ -	\$ 30.6
September	0.0	396.3	396.3		\$ 1,110.5	\$ -	\$ 29.1
October	0.0	313.1	313.1		\$ 877.5	\$ -	\$ 23.0
November	0.0	239.8	239.8		\$ 672.1	\$ -	\$ 17.6
December	0.0	197.0	197.0		\$ 552.0	\$ -	\$ 14.5
	0.0	3,493.7	3,493.7		\$ 9,791.6	\$ -	\$ 256.3

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CALIFORNIA WATER SERVICE CO.
WESTLAKE DISTRICT
Monthly Revenue Summary (In \$1,000)
2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 626.3	\$ 237.8	\$ 864.2
February	\$ 637.0	\$ 237.8	\$ 874.9
March	\$ 531.2	\$ 237.8	\$ 769.0
April	\$ 845.0	\$ 237.8	\$ 1,082.8
May	\$ 1,108.2	\$ 237.8	\$ 1,346.1
June	\$ 1,213.4	\$ 237.8	\$ 1,451.2
July	\$ 1,391.4	\$ 237.8	\$ 1,629.3
August	\$ 1,429.1	\$ 237.8	\$ 1,666.9
September	\$ 1,537.5	\$ 237.8	\$ 1,775.3
October	\$ 1,233.3	\$ 237.8	\$ 1,471.1
November	\$ 930.9	\$ 237.8	\$ 1,168.7
December	\$ 762.9	\$ 237.8	\$ 1,000.8
TOTAL	\$ 12,246.2	\$ 2,854.0	\$ 15,100.2

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 784.9	\$ 324.4	\$ 1,109.2
February	\$ 650.5	\$ 324.4	\$ 974.8
March	\$ 707.2	\$ 324.4	\$ 1,031.6
April	\$ 737.2	\$ 324.4	\$ 1,061.6
May	\$ 902.4	\$ 265.0	\$ 1,167.5
June	\$ 1,292.3	\$ 324.4	\$ 1,616.7
July	\$ 1,584.6	\$ 324.4	\$ 1,908.9
August	\$ 1,528.4	\$ 324.4	\$ 1,852.7
September	\$ 1,650.5	\$ 324.4	\$ 1,974.9
October	\$ 1,308.7	\$ 324.4	\$ 1,633.0
November	\$ 1,075.4	\$ 324.4	\$ 1,399.7
December	\$ 991.6	\$ 324.4	\$ 1,315.9
TOTAL	\$ 13,213.6	\$ 3,832.9	\$ 17,046.5

CALIFORNIA WATER SERVICE CO.
WESTLAKE DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)	3,493.7
Kwh / ccf	1,187.9
Total calculated KWH	4,150,132.4
Unit Cost per KWH	\$0.06
Power Cost	\$256,315
TOTAL PURCHASED POWER (In \$1,000)	\$256.3

PURCHASED WATER

ANNUAL ENTITLEMENT OF PURCHASED WATER (AF)	7,627
Tier 1	7,490
Tier 2	0
Recycled	171
Tier 1 UNIT COST / A.F. (WP 5-B10)	1,119
Tier 2 UNIT COST / A.F. (WP 5-B10)	1,269
Recycled UNIT COST / A.F. (WP 5-B10)	895
BASIC COST \$ - THOUSANDS	\$8,535.1
CAPACITY RESERVATION CHARGE - 1-1-2009 ANNUAL RATE	\$348.7
PUMPING CHARGE* Potable - Based on 2008 \$/af x Adopted AF	\$371.8
PUMPING CHARGE* Reclaimed - Based on 2008 \$/af x Adopted AF	\$49.4
READINESS TO SERVE CHARGE - 1-1-2009 ANNUAL RATE	\$486.5
TOTAL PURCHASED WATER COST (In \$1,000)	\$9,791.6

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CALIFORNIA WATER SERVICE CO.
 WESTLAKE DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	171
ADOPTED CHEMICAL DOLLARS	\$0.0
ADOPTED \$ per KCCF	\$0.000000
PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$0
TOTAL GROUNDWATER CHARGES	\$0
ANNUAL WATERMASTER SERVICE	\$0
TOTAL PUMP TAX EXPENSE	\$0.0
UNCOLLECTIBLES RATE	0.10%
FRANCHISE TAX RATE	1.08%
BUSINESS LICENSE FEE	\$0.00
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.70778

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CALIFORNIA WATER SERVICE CO.
WESTLAKE DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

			NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.09569%	0.09569%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.90431%	99.90431%
	FRANCHISE TAX RATE	1.08436%	1.08436%
3	LOCAL FRANCHISE (% * LINE 2)	1.08332%	1.08332%
	BUSINESS LICENSE RATE	0.00000%	0.00000%
4	BUSINESS LICENSE (% * LINE 2)	0.00000%	0.00000%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	1.17901%	1.17901%
6	1 - SUBTOTAL (100% - LINE 5)	98.82099%	98.82099%
7	CCFT (LINE 6 * 8.84%)	8.73578%	
8	AMERICAN JOB CREATION ACT (LINE 6 * 9%)	0.00000%	
8	FIT (LINE 6 * 35 %)	31.52982%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	41.44461%	1.17901%
11	NET AFTER TAXES (1 - LINE 9)	58.55539%	98.82099%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.70778	1.01193

ADOPTED
RATIO'S

DEBT	46.6%	Without income Taxes	1.01193	0.47156
EQUITY	53.4%	With income Taxes	1.70778	0.91196
TOTAL	100.0%			1.38352
		Adj. Net to Gross		1.38352

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CALIFORNIA WATER SERVICE CO.
Westlake District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014					
Usage:	Present Bill	Proposed Bill	Change	Percent Change	Notes
Ccf					(1)
0	\$ 19.77	\$ 26.22	\$ 6.45	32.60%	
5	\$ 37.33	\$ 44.43	\$ 7.10	19.01%	
10	\$ 54.89	\$ 62.64	\$ 7.75	14.12%	
15	\$ 73.69	\$ 82.14	\$ 8.45	11.46%	
20	\$ 94.35	\$ 103.57	\$ 9.22	9.77%	
25	\$ 115.01	\$ 124.99	\$ 9.98	8.68%	(2)
31	\$ 139.80	\$ 150.71	\$ 10.90	7.80%	(3)
35	\$ 156.33	\$ 167.85	\$ 11.52	7.37%	
40	\$ 176.99	\$ 189.28	\$ 12.29	6.94%	
41	\$ 181.12	\$ 193.56	\$ 12.44	6.87%	(4)
45	\$ 198.07	\$ 211.14	\$ 13.07	6.60%	
Metered Quantity Rates:					(5) (6)
Tier 1	\$ 3.5121	\$ 3.6426	\$ 0.13	3.72%	
Tier 2	\$ 4.1319	\$ 4.2855	\$ 0.15	3.72%	
Tier 3	\$ 4.5490	\$ 4.7180	\$ 0.17	3.72%	
Service Charge:	\$ 19.77	\$ 26.22	\$ 6.45	32.60%	(5) (6)

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 25 Ccf
- (3) Monthly average usage of 31 Ccf
- (4) Typical summer monthly average usage of 41 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills

APPENDIX Z

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CALIFORNIA WATER SERVICE CO.
WILLOWS DISTRICTSUMMARY OF EARNINGS AND RATE OF RETURN
(DOLLARS IN THOUSANDS)

	PRESENT	PROPOSED	ESTIMATED	ESTIMATED
	RATES	RATES	RATES	RATES
	<u>2014</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
OPERATING REVENUES	\$2,012.6	\$2,349.7	\$2,406.7	\$2,463.4
% Increase		16.8%	2.4%	2.4%
OPERATING EXPENSES				
PURCHASED WATER	\$0.0	\$0.0	\$0.0	\$0.0
GROUNDWATER EXTRACTION CHARGES	\$0.0	\$0.0	\$0.0	\$0.0
PURCHASED POWER	\$82.1	\$82.1	\$82.3	\$82.6
PURCHASED CHEMICALS	\$6.7	\$6.7	\$6.8	\$6.9
PAYROLL -- DISTRICT	\$287.4	\$287.4	\$291.1	\$294.9
UNCOLLECTIBLES	\$10.5	\$12.3	\$12.4	\$12.5
CONSERVATION	\$12.7	\$12.7	\$12.7	\$12.7
OTHER OPERATION AND MAINTENANCE	\$222.3	\$222.3	\$225.2	\$228.1
BENEFITS	\$181.3	\$181.3	\$183.6	\$185.5
OTHER ADMIN AND GEN. EXP.	\$52.8	\$52.8	\$53.5	\$54.2
TOTAL O. & M., A. & G., & MISC. EXP.	\$855.8	\$857.6	\$867.7	\$877.4
TAXES OTHER THAN INCOME				
AD VALOREM TAXES	\$81.7	\$81.7	\$82.9	\$84.1
BUSINESS LICENSE FEES	\$26.6	\$31.0	\$31.1	\$31.2
LOCAL FRANCHISE TAXES	\$0.0	\$0.0	\$0.0	\$0.0
PAYROLL TAXES	\$22.5	\$22.5	\$22.8	\$23.1
TOTAL GENERAL TAXES	130.8	\$135.3	\$136.8	\$138.4
DEPRECIATION	\$292.0	\$292.0	\$305.7	\$319.4
G.O. PRORATED EXPENSES:				
PAYROLL AND BENEFITS	\$186.9	\$186.9	\$189.3	\$191.7
AD VALOREM , BUSINESS LICENSE, FRANCHISES	\$3.4	\$3.4	\$3.4	\$3.4
PAYROLL TAXES	\$11.6	\$11.6	\$11.7	\$11.9
OTHER PRORATED EXPENSES	\$125.1	\$125.1	\$126.7	\$128.4
TOTAL G.O. PRORATED EXPENSES	\$327.0	\$327.0	\$331.2	\$335.4
SUB -- TOTAL -- OPERATING EXPENSES	\$1,605.6	\$1,611.8	\$1,641.4	\$1,670.6
TOTAL INCOME TAXES:	\$64.2	\$189.5	\$200.3	\$211.1
TOTAL OPERATING EXPENSES	\$1,669.8	\$1,801.4	\$1,841.7	\$1,881.7
NET OPERATING REVENUE	\$342.8	\$548.3	\$565.0	\$581.7
DEPRECIATED RATE BASE	\$6,906.0	\$6,906.0	\$7,116.2	\$7,326.4
RATE OF RETURN	4.96%	7.94%	7.94%	7.94%

APPENDIX Z**Page 2**CALIFORNIA WATER SERVICE CO.
WILLOWS DISTRICTADOPTED RATE BASE
(DOLLARS IN THOUSANDS)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
RATE BASE			
WTD. AVG. PLANT IN SERVICE	\$13,053.0	\$13,606.9	\$14,160.9
WTD. AVG. DEPRECIATION RESERVE	(3,381.9)	(3,643.1)	(\$3,904.3)
MATERIALS AND SUPPLIES	37.3	37.3	\$37.3
TANK PAINTING	0.0	0.0	\$0.0
WORKING CASH - LEAD - LAG	41.9	45.5	\$49.2
WORKING CASH - W / H EMPLOYEES	(0.8)	(0.8)	(\$0.8)
ADVANCES FOR CONSTRUCTION	(1,551.6)	(1,499.8)	(\$1,448.1)
CONTRIBUTIONS	(340.1)	(348.0)	(\$355.9)
AMORTIZATION OF INTANG.	(125.8)	(153.0)	(\$180.2)
DEFERRED TAXES	(1,144.4)	(1,277.7)	(\$1,410.9)
UNAMORT. I.T.C.	(8.2)	(7.9)	(\$7.5)
PRORATED G.O. RATE BASE	277.9	314.6	\$351.3
TAXES ON ADVANCES	41.2	34.7	\$28.3
TAXES ON C.I.A.C.	7.6	7.4	\$7.2
WTG. AVG. RATE BASE	\$6,906.0	\$7,116.2	\$7,326.4
RATE BASE ASSOCIATED ITEMS			
DEPRECIATION EXPENSE	\$292.0	\$305.7	\$319.4
AD VALOREM TAXES	\$81.7	\$82.9	\$84.1
TOTAL INCOME TAXES AT AUTHORIZED	\$189.5	\$200.3	\$211.1
NET OPERATING REVENUE	\$548.3	\$565.0	\$581.7

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CALIFORNIA WATER SERVICE CO.
WILLOWS DISTRICT

Rate Base Offset

District	PID#	Description	Amount	Expected Filing Year	Authority	Expected Revenue Requirement
Willows	00020953	Zone Test Repair - Sta. 6-01	\$ 184,794	2013	2009 GRC	\$ 26,116
	00021141	I-5 Crossing - Design and Permit	\$ 164,400	2014	2009 GRC	\$ 23,234
	00080003	Cal Water RAMCAP Vulnerability Assessments	\$ 55,590	2015	2012 GRC	\$ 7,856
			<u>\$ 404,784</u>			<u>\$ 57,206</u>

**ATTACHMENT Z
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CALIFORNIA WATER SERVICE CO.
WILLOWS DISTRICT

INCOME TAX CALCULATION
(DOLLARS IN THOUSANDS)

	PRESENT RATES <u>2014</u>	PROPOSED RATES <u>2014</u>
OPERATING REVENUE (PRESENT RATES)	\$2,012.6	\$2,349.7
EXPENSES		
PURCHASED WATER	\$0.0	\$0.0
PURCHASED POWER	\$82.1	\$82.1
PUMP TAXES	\$0.0	\$0.0
CHEMICALS	\$6.7	\$6.7
PAYROLL	\$287.4	\$287.4
OTHER O & M	\$235.0	\$235.0
OTHER A & G	\$234.1	\$234.1
G.O. PRORATIONS	\$295.5	\$295.5
PAYROLL TAXES	\$22.5	\$22.5
AD VALOREM TAXES	\$81.7	\$81.7
UNCOLLECTIBLES	\$10.5	\$12.3
FRANCHISE TAX & BUS LIC. FEES	\$26.6	\$31.0
TRANSPORTATION DEPRECIATION ADJUSTMENT	\$12.0	\$12.0
INTEREST EXPENSE	\$198.5	\$198.5
TOTAL DEDUCTIONS	\$1,492.7	\$1,498.9
STATE INCOME TAX		
STATE TAX DEPRECIATION	\$769.5	\$769.5
NET STATE TAXABLE INCOME	(\$249.6)	\$81.4
STATE CORP. FRANCHISE TAX @ 8.84%	(\$22.1)	\$7.2
FEDERAL INCOME TAX		
FEDERAL TAX DEPRECIATION	\$292.9	\$292.9
STATE INCOME TAX	(\$22.1)	\$7.2
LESS AMERICAN JOBS CREATION ACT DEDUCTION	(\$9.4)	\$17.7
NET FEDERAL TAXABLE INCOME	\$258.5	\$533.0
FEDERAL INCOME TAX @ 35.00%	\$90.5	\$186.5
INVESTMENT TAX CREDIT	\$4.2	\$4.2
TOTAL FEDERAL INCOME TAX	\$86.2	\$182.3
TOTAL INCOME TAXES	\$64.2	\$189.5

APPENDIX Z

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**CALIFORNIA WATER SERVICE CO.
WILLOWS DISTRICT**

Adopted Quantities

		2014	2015
Number of Services by meter size	5/8 x 3/4	2,121	2,204
	3/4	0	0
	1	118	119
	1 1/2	36	37
	2	57	57
	3	14	14
	4	2	2
	6	0	0
	8	0	0
	10	0	0
	12	0	0
	14	0	0
	TOTAL	2,348	2,434

Metered Sales, KCcf		
All Water	560.1	579.3

Number of Services and Use:

	Avg Services		Use, KCcf		Avg Use, Ccf/Sv/Mo	
	2014	2015	2014	2015	2014	2015
RESIDENTIAL	1,982	2,067	365.7	381.4	15.4	15.4
BUSINESS	266	264	89.0	88.3	27.9	27.9
MULTIPLE FAMILY	42	45	58.2	62.3	115.5	115.5
INDUSTRIAL	-	-	-	-	-	-
PUBLIC AUTHORITY	49	49	46.3	46.3	78.8	78.8
OTHER	9	9	0.9	0.9	9	9
IRRIGATION	-	-	-	-	-	-
RECLAIMED	-	-	-	-	-	-
SUBTOTAL	2,348	2,434	560.1	579.3		
RESIDENTIAL FLAT	44	-	13.1	-		
PRIVATE FIRE PROT	20	20				
PUBLIC FIRE PROT	8	8				
TOTAL	2,420	2,462	573.2	579.3		
Unaccounted-for water	7.00%		43.1	43.6		
Total Production			616.4	622.9		

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CALIFORNIA WATER SERVICE CO.
 WILLOWS DISTRICT

Adopted Quantities

Metered Sales (Kccf)	2014 Test Year					Public Authority	Other	Total
	Residential	Business	Multi-Family	Industrial				
Month								
January	15.8	5.1	4.1	0.0	1.8	0.1	26.9	
February	14.7	4.7	4.1	0.0	1.8	0.0	25.4	
March	13.6	4.4	3.5	0.0	1.5	0.0	23.0	
April	18.8	5.6	4.1	0.0	1.8	0.1	30.3	
May	27.5	6.9	4.4	0.0	3.3	0.1	42.1	
June	35.4	8.1	5.2	0.0	4.8	0.1	53.6	
July	51.3	10.8	5.9	0.0	6.3	0.1	74.4	
August	53.6	10.9	5.9	0.0	6.9	0.1	77.5	
September	52.4	11.4	6.5	0.0	7.3	0.1	77.7	
October	39.7	9.4	5.5	0.0	6.1	0.1	60.9	
November	23.7	6.4	4.4	0.0	3.0	0.1	37.5	
December	19.2	5.3	4.6	0.0	1.6	0.1	30.8	
	365.7	89.0	58.2	0.0	46.3	0.9	560.1	

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CALIFORNIA WATER SERVICE CO.
 WILLOWS DISTRICT

Adopted Quantities

Production	2014 Test Year			Purchased	Pump Taxes	Purchased
	Company Wells (Kccf)	Purchases (Kccf)	Total (Kccf)	Water (In \$1,000)	(In \$1,000)	Power (In \$1,000)
Month						
January	27.4	0.0	27.4	\$ -	\$ -	\$ 3.6
February	23.2	0.0	23.2	\$ -	\$ -	\$ 3.1
March	30.6	0.0	30.6	\$ -	\$ -	\$ 4.1
April	43.4	0.0	43.4	\$ -	\$ -	\$ 5.8
May	61.4	0.0	61.4	\$ -	\$ -	\$ 8.2
June	71.8	0.0	71.8	\$ -	\$ -	\$ 9.6
July	89.7	0.0	89.7	\$ -	\$ -	\$ 11.9
August	85.5	0.0	85.5	\$ -	\$ -	\$ 11.4
September	71.1	0.0	71.1	\$ -	\$ -	\$ 9.5
October	46.9	0.0	46.9	\$ -	\$ -	\$ 6.2
November	35.0	0.0	35.0	\$ -	\$ -	\$ 4.7
December	30.5	0.0	30.5	\$ -	\$ -	\$ 4.1
	<u>616.4</u>	<u>0.0</u>	<u>616.4</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82.1</u>

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CALIFORNIA WATER SERVICE CO.
WILLOWS DISTRICT

Monthly Revenue Summary (In \$1,000)
2014

TEST YEAR ADOPTED REVENUE AT PRESENT RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 30.4	\$ 113.9	\$ 144.3
February	\$ 28.6	\$ 113.9	\$ 142.5
March	\$ 25.8	\$ 113.9	\$ 139.7
April	\$ 34.3	\$ 113.9	\$ 148.3
May	\$ 48.2	\$ 113.9	\$ 162.2
June	\$ 61.7	\$ 113.9	\$ 175.7
July	\$ 87.0	\$ 113.9	\$ 201.0
August	\$ 90.7	\$ 113.9	\$ 204.7
September	\$ 90.8	\$ 113.9	\$ 204.7
October	\$ 70.4	\$ 113.9	\$ 184.3
November	\$ 42.7	\$ 113.9	\$ 156.6
December	\$ 34.6	\$ 113.9	\$ 148.6
TOTAL	\$ 645.3	\$ 1,367.3	\$ 2,012.6

TEST YEAR ADOPTED REVENUE AT PROPOSED RATES

	WRAM	NON-WRAM	TOTAL
January	\$ 46.8	\$ 108.3	\$ 155.1
February	\$ 47.2	\$ 108.3	\$ 155.4
March	\$ 44.2	\$ 108.3	\$ 152.5
April	\$ 58.8	\$ 108.3	\$ 167.0
May	\$ 75.5	\$ 105.7	\$ 181.1
June	\$ 118.7	\$ 108.3	\$ 226.9
July	\$ 141.6	\$ 108.3	\$ 249.9
August	\$ 139.6	\$ 108.3	\$ 247.8
September	\$ 143.4	\$ 108.3	\$ 251.7
October	\$ 104.7	\$ 108.3	\$ 212.9
November	\$ 75.3	\$ 108.3	\$ 183.6
December	\$ 57.5	\$ 108.3	\$ 165.7
TOTAL	\$ 1,053.2	\$ 1,296.5	\$ 2,349.7

CALIFORNIA WATER SERVICE CO.
WILLOWS DISTRICT

Adopted Quantities

2014

PURCHASED POWER

Total Production (kccf)	616.4
Kwh / ccf	780.7
Total calculated KWH	481,224.0
Unit Cost per KWH	\$0.17
Power Cost	\$82,124

TOTAL PURCHASED POWER (In \$1,000) **\$82.1**

PURCHASED WATER

TOTAL PURCHASED WATER COST \$0

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CALIFORNIA WATER SERVICE CO.
WILLOWS DISTRICT

Adopted Quantities

	<u>2014</u>
CHEMICALS	
Total Production (kccf)	616.4
ADOPTED CHEMICAL DOLLARS (in \$1,000)	\$6.7
 ADOPTED \$ per KCCF	 \$0.010851
 PUMP TAXES (WATER REPLENISHMENT DISTRICT)	
WELL WATER PRODUCTION - ACRE FEET	0.0
UNIT COST - ACRE FEET	\$0
TOTAL GROUNDWATER CHARGES	\$0
ANNUAL WATERMASTER SERVICE	\$0
 TOTAL PUMP TAX EXPENSE	 \$0.0
 UNCOLLECTIBLES RATE	 0.52%
FRANCHISE TAX RATE	0.00%
BUSINESS LICENSE FEE (in \$1000)	\$31.04
FEDERAL TAX RATE	35.00%
STATE CORP. FRANCHISE TAX	8.84%
NET TO GROSS MULTIPLIER	1.63974

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CALIFORNIA WATER SERVICE CO.
 WILLOWS DISTRICT

NET TO GROSS MULTIPLIER
(NEW CPUC STAFF APPROVED METHOD)

2014

			NORMAL W/O INCOME TAXES
1	UNCOLLECTIBLES	0.52136%	0.52136%
2	1 - UNCOLLECTIBLES (100% - LINE 1)	99.47864%	99.47864%
	FRANCHISE TAX RATE	0.00000%	0.00000%
3	LOCAL FRANCHISE (% * LINE 2)	0.00000%	0.00000%
	BUSINESS LICENSE RATE	1.32120%	1.32120%
4	BUSINESS LICENSE (% * LINE 2)	1.31431%	1.31431%
5	SUBTOTAL (LINE 1 + LINE 3 + LINE 4)	1.83567%	1.83567%
6	1 - SUBTOTAL (100% - LINE 5)	98.16433%	98.16433%
7	CCFT (LINE 6 * 8.84%)	8.67773%	
8	AMERICAN JOBS CREATION ACT (LINE 6 * 9%)	8.05379%	
9	FIT (LINE 6 * 35 %)	28.50148%	
10	TOTAL TAXES PAID (LINE 5 + LINE 7 + LINE 8)	39.01488%	1.83567%
11	NET AFTER TAXES (1 - LINE 9)	60.98512%	98.16433%
	NET-TO-GROSS MULTIPLIER (1 / LINE 10)	1.63974	1.01870

ADOPTED
RATIO'S

DEBT	46.6%	Without income Taxes	1.01870	0.47471
EQUITY	53.4%	With income Taxes	1.63974	0.87562
TOTAL	100.0%	Adj. Net to Gros:		1.35034

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California Water Service Company
Willows District Bill Comparison

Typical Monthly Residential Bill for Metered Customers for 2014

Usage: Ccf	Present Bill	Proposed Bill	Change	Percent Change	Notes (1)
0	\$ 39.39	\$ 37.03	\$ -2.36	-6.00%	
5	\$ 44.62	\$ 45.57	\$ 0.94	2.12%	
9	\$ 48.89	\$ 52.53	\$ 3.64	7.45%	(2)
10	\$ 50.01	\$ 54.36	\$ 4.35	8.70%	
15	\$ 55.63	\$ 63.53	\$ 7.90	14.21%	(3)
20	\$ 61.25	\$ 72.70	\$ 11.45	18.70%	
25	\$ 66.86	\$ 81.87	\$ 15.01	22.44%	(4)
30	\$ 73.20	\$ 92.21	\$ 19.01	25.97%	
35	\$ 79.53	\$ 102.55	\$ 23.02	28.94%	
40	\$ 85.86	\$ 112.88	\$ 27.02	31.47%	
45	\$ 92.20	\$ 123.22	\$ 31.02	33.65%	

Metered Quantity Rates:					(5) (6)
Tier 1	0 to 8 Ccf	\$ 1.0465	\$ 1.7081	\$ 0.66	63.23%
Tier 2	8 to 25	\$ 1.1235	\$ 1.8338	\$ 0.71	63.23%
Tier 3	25+	\$ 1.2668	\$ 2.0678	\$ 0.80	63.23%

Service Charge:	\$ 39.39	\$ 37.03	\$ -2.36	-6.00%	(5) (6)
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Monthly Residential Bill for Flat-rate Customers for 2014

Lot size:					
6,000 sq. ft. or less		\$ 62.91	\$ 72.81	\$ 9.90	15.74%
6,001-10,000 sq. ft.		\$ 75.22	\$ 87.05	\$ 11.84	15.74%

Notes:

- (1) 1 Ccf or 100 cubic feet of water is equal to 748 gallons of water
- (2) Typical winter monthly average usage of 9 Ccf
- (3) Monthly average usage of 15 Ccf
- (4) Typical summer monthly average usage of 25 Ccf
- (5) Metered comparison based on 5/8 x 3/4 inch service
- (6) Rates do not include CPUC fees or other surcharges that may appear on customers bills