

Preliminary Statement BB

BB. Drinking Water Fees Memorandum Account (DWFMA)

(N)

1. Purpose

The purpose of the Drinking Water Fees Memorandum Account (DWFMA) is to track the difference between all actual fees charged by the State Water Resources Control Board (State Board) (based upon the revised fee schedule adopted by the State Board on September 22, 2021) and the State Board fees authorized in rates.

2. Applicability

The DWFMA will track the difference between the State Board fees and the State Board fees authorized in rates, and is applicable to all regulated ratemaking areas. Pursuant to Standard Practice U-27-W ("SP U-27") of the Water Division, the DWFMA will earn interest at the 90-day commercial paper rate.

3. Disposition

Prior to recovery, charges made to the DWFMA are subject to a reasonableness review.

4. Effective Date

The DWFMA will be made effective on the effective date of AL 2438. The DWFMA will sunset with the effective date of the utility's Test Year rates from its 2024 General Rate Case application.

(N)

(Continued)

| (To be inserted by utility) | Issued By | (To be inserted by CPUC) |
|-----------------------------|-------------------------|------------------------------|
| Advice Letter <u>2438</u> | <u>Greg A. Milleman</u> | Date Filed <u>12/16/2021</u> |
| Decision | <u>Vice President</u> | Effective <u>12/16/2021</u> |
| | | Resolution _____ |