

Preliminary Statement
(continued)

T. Lucerne Balancing Account (LBA)

1. Purpose: This balancing account shall record surcharge and service fee revenues as well as Safe Drinking Water State Revolving Fund (SDWSRF) payments and interest earned on funds deposited with the fiscal agent. It shall be referred to as the Lucerne Balancing Account (LBA).
2. Applicability: The LBA is applicable to the Redwood Valley Tariff Area - Lucerne Division.
3. Accounting:
 - a. The LBA will be tracked separately for the Redwood Valley Tariff Area - Lucerne Division.
 - b. The following entries will be recorded to the LBA:
 1. A debit entry for semi-annual SDWSRF loan payments.
 2. The monthly credit entry for the revenue from the surcharges requested in Advice Letter No. 1963 for repayment of the SDWSRF loan.
 3. The monthly credit entry for the service fee revenues from Customers requesting future services to undeveloped lots in the Lucerne service area.
 4. The monthly credit entry for interest earned on funds deposited with the fiscal agent.
4. Rate Component: There are surcharges for this balancing account.

(To be inserted by utility)

Advice Letter No. 1963-A
Decision No. 08-09-002

Issued by

THOMAS F. SMEGAL
NAME
Vice President
TITLE

(To be inserted by Cal. P.U.C.)

Date Filed _____
Effective _____
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