CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS

Advice Letter Cover Sheet

Utility Name: California Water Service Company
District: Bay Area Region, East Los Angeles, Kern River Valley, Livermore, Los Altos, North Valley Region, Salinas Valley Region, South Bay Region, and Stockton

Date Mailed to Service List: 01/05/2026

CPUC Utility #: U-60-W

Protest Deadline (20th Day): 01/25/2026

Advice Letter #: 2576

Review Deadline (30th Day): 02/04/2026

Tier: ☒1 ☐2 ☐3 ☐ Compliance

Requested Effective Date: 04/01/2026

Authorization: D.24-03-042, Ordering Paragraphs 24, 25, and 28

Rate Impact: Various Credits

Description: 2021 GRC Capital One-Way Balancing Account Amortization (21GRC COBA)

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was mailed to the service list. Please see the "Response or Protest" section in the advice letter for more information.

Utility Contact: Cooper Cameron
Phone: 669-977-1319
Email: ccameron@calwater.com

Utility Contact: Natalie Wales
Phone: 408-367-8566
Email: nwales@calwater.com

DWA Contact: Tariff Unit
Phone: (415) 703-1133
Email: Water.Division@cpuc.ca.gov

DWA USE ONLY

DATE	STAFF	COMMENTS

[ ] APPROVED [ ] WITHDRAWN [ ] REJECTED

Signature: _____ Comments: _____

Date: _____

CALIFORNIA WATER SERVICE COMPANY
1720 NORTH FIRST STREET
SAN JOSE, CA 95112 • (408) 367-8200

January 05, 2026

Advice Letter No. 2576

To the California Public Utilities Commission:

California Water Service Company (Cal Water) respectfully submits this Tier 1 advice letter requesting authority to make the changes in its tariff as described below.

New/Revised CPUC Sheet No.	Title of Sheet	Schedule No.	Cancelling CPUC Sheet No.
XXXXX-W	Schedule AS (Page 8)	Schedule No. AS	XXXXX-W
XXXXX-W	Table of Contents (Page 6)	TOC	XXXXX-W
XXXXX-W	Table of Contents (Page 1)	TOC	XXXXX-W

Summary

Cal Water submits this advice letter in compliance with Ordering Paragraphs (OPs) 24, 25, and 28 of California Public Utilities Commission (CPUC) Decision (D.) 24-03-042 resolving Cal Water's 2021 General Rate Case (2021 GRC). These ordering paragraphs adopt forecasts for the following three capital programs, subject to tracking in a one-way balancing account: (1) Control Valve Overhaul and Replacement (Control Valves), (2) Pump and Motor Replacement (Pumps and Motors), and (3) Personal Computers and Related Devices (PC Refresh).

The procedures to implement OPs 24, 25, and 28 are described in **Preliminary Statement BN** for the **21GRC Capital One-Way Balancing Account** (21GRC COBA).[1] As discussed below, Cal Water respectfully requests authority to refund the unspent revenue requirements associated with two of the three capital programs in the following areas: **Bay Area Region, East Los Angeles, Kern River Valley, Livermore, Los Altos, North Valley Region, Salinas Valley Region, South Bay Region, and Stockton**.

Cal Water is requesting an effective date of **April 1, 2026,**[2] for the proposed refunds in this Tier 1 advice letter.

Background

On March 15, 2024, the CPUC issued D.24-03-042 resolving Cal Water's 2021 GRC for years 2023-2025. OPs 24, 25, and 28 adopted capital forecasts and directed Cal Water to track its annual expenditures and project completions for Control Valves, Pumps and Motors, and PC Refresh,

[1] *Available at* https://www.calwater.com/docs/rates/statements/preliminary_statement_bn.pdf.

[2] The July 1, 2024, letter from the CPUC's Executive Director granting Cal Water's request for extension to comply with Ordering Paragraphs 24, 25, and 28 provides that the return of unspent funds occur 90 days after final costs are known. Cal Water considers the final costs to be known as of December 31, 2025, the last day of the 2021 GRC period. While 90 days from December 31, 2025, is March 31, 2026, Cal Water is proposing a refund effective date of April 1, 2026.

respectively, in a capital one-way balancing account.[3] The CPUC required that any unspent forecast by the end of the 2023-2025 period be refunded in the next GRC.[4]

On May 15, 2024, Cal Water requested an extension to comply with OPs 24, 25, and 28 from the CPUC's Executive Director, pursuant to Rule 16.6 of the Rules of Practice and Procedure of the CPUC. The extension request explained that Cal Water's "next GRC" would be filed on July 1, 2024, and that Cal Water would still be in the midst of constructing the approved capital projects. Cal Water instead requested that any refunds be provided to customers by March 31, 2026, which is within 90 days of the last day of the 2021 GRC period (December 31, 2025). A copy of Cal Water's request for extension is provided in **Attachment A**.

On July 2, 2024, the Executive Director approved an extension to comply with OPs 24, 25, and 28, with modification. Specifically, the Executive Director approved the extension, providing that:

- Cal Water's extension is approved only to the data that the final costs can be established with reasonable certainty for each project.
- In no circumstances shall that date be later than December 31, 2025.
- The Tier 1 advice letters referenced in D.24-03-042 shall be filed within five days of date that each project's final cost is known to Cal Water.
- Cal Water's related request for a 90-day period from which the comparison of final cost to approved budget is made to deliver any sur-credit to all its ratepayers is reasonable and approved.
- No other requirements in OPs 24, 25, or 28 are modified.

A copy of the Executive Director's approval is provided in **Attachment B**.

Discussion

As mentioned above, in adopting the capital forecasts in the 2024 GRC, one-way balancing accounts were imposed on three capital programs: Control Valves, Pumps and Motors, and PC Refresh. Brief descriptions for each of these programs are provided below:

1. **Control Valves**. Proactive overhaul and/or replacement of critical automatic and electrically modulated valves using a risk-based asset management framework.[5]
2. **Pumps and Motors**. Proactive replacement of high-risk pumps and motors based on a systematic asset management evaluation.[6]
3. **PC Refresh**. Systematic replacement or updating of personal computing and related equipment to current standards.[7]

These three programs are comprised of 162 individual projects with adopted capital forecasts totaling $21.15 million in investment. One or both of the Control Valve and Pump and Motor

[3] D.24-03-042, pp. 183-184.
[4] *Id.*
[5] D.24-03-042, pp. 133-135.
[6] D.24-03-042, pp. 137-138.
[7] D.24-03-042, pp. 144-145.

programs are applicable to all ratemaking areas except Dixon, Marysville, Travis, and Willows. The PC Refresh program is in the capital budget for Customer Support Services (CSS) and is allocated to all ratemaking areas. Aside from CSS, the 21GRC COBA therefore covers 15 ratemaking areas. A list of the 21GRC COBA projects is provided in **Attachment C**.

During the compressed 2021 GRC period, Cal Water completed a total of 150 projects across the three programs with a total investment cost of $22.44 million. These projects are used and useful and currently provide benefits to customers. This reflects execution rates of 93% and 106% on project count and investment cost bases, respectively.

Calculation of Revenue Requirements and Refunds

The procedures for tracking the revenue requirements subject to the 21GRC COBA are described in Cal Water's Preliminary Statement BN.[8] The process for calculating the refund balance is summarized below:

1. Track both the adopted and actual investment costs;
2. Calculate the revenue requirements associated with both the adopted and actual investment costs; and
3. Calculate the difference between the actual and adopted revenue requirements.

If the actual revenue requirement *exceeds* the authorized revenue requirement, there is no balance to refund to customers. If the actual revenue requirement is *less than* the adopted revenue requirement, the difference between the authorized and adopted revenue requirements must be refunded to customers. This analysis is performed by program and by ratemaking area.

The refund balance is also subject to monthly interest. For this advice letter, Cal Water has calculated interest on the refund balance from May 2024 through December 2025. The adopted 2021 GRC rates were implemented in May 2024, so this represents the effective period of the 2021 GRC for COBA purposes.

To calculate the flat surcredit (i.e., refund) for each service connection, the total refund balance (including interest) across all programs for a ratemaking area is divided by the adopted number of services for that ratemaking area. The refund amounts (including interest) and resulting surcredits are provided in Table 1 below. A summary of the authorized and actual revenue requirements and refund calculation are provided in **Attachment D**. Full details of the calculations are provided in the workpapers.

[8] *Available at* https://www.calwater.com/docs/rates/statements/preliminary_statement_bn.pdf.

Table 1 – 21GRC COBA Refund Balances and Surcredits

Area	Control Valves	Pumps & Motors	PC Refresh	Interest	Total Refund	Services	Surcredit ($/Service)
Bakersfield	$0	$0	$0	$0	$0	-	-
Bay Area Region	**$41,264**	**$0**	**$0**	**$3,088**	**$44,352**	**4,655**	**$0.81**
Bear Gulch	$0	$0	$0	$0	$0	-	-
East Los Angeles	**$18,250**	**$0**	**$0**	**$1,366**	**$19,616**	**6,236**	**$0.75**
Kern River Valley	**$13,509**	**$15,699**	**$0**	**$2,186**	**$31,393**	**4,121**	**$7.62**
Livermore	**$6,310**	**$0**	**$0**	**$472**	**$6,782**	**18,882**	**$0.36**
Los Altos	**$2,572**	**$0**	**$0**	**$192**	**$2,765**	**18,647**	**$0.15**
Los Angeles County Region	$0	$0	$0	$0	$0	-	-
North Valley Region	**$4,609**	**$0**	**$0**	**$345**	**$4,953**	**35,221**	**$0.14**
Salinas Valley Region	**$12,608**	**$0**	**$0**	**$944**	**$13,552**	**31,349**	**$0.43**
Selma	$0	$0	$0	$0	$0	-	-
South Bay Region	**$1,891**	**$3,924**	**$0**	**$435**	**$6,250**	**60,383**	**$0.10**
Stockton	**$0**	**$14,516**	**$0**	**$1,086**	**$15,603**	**44,861**	**$0.35**
Visalia	$0	$0	$0	$0	$0	-	-
Westlake	$0	$0	$0	$0	$0	-	-
CSS	$0	$0	$0	$0	$0		-
Total	**$101,013**	**$34,139**	**$0**	**$10,114**	**$145,265**		

Table 1 shows that Cal Water fully executed its capital forecast for the 21GRC COBA programs in 6 operating districts and CSS.[9] As such, only customers in the remaining 9 ratemaking areas will receive a refund from the 21GRC COBA.

Requested Effective Date

Pursuant to OPs 24, 25, and 28 of D.24-03-042, this advice letter is submitted with a Tier 1 designation. Tier 1 advice letters are effective pending disposition pursuant to General Order (GO) 96-B, Water Rule 7.3.1. However, in accordance with GO 96-B, General Rule 7.3.3 and the Executive Director's July 24, 2024, letter granting an extension to comply with OPs 24, 25, and 28 of D.24-03-042, Cal Water requests that the attached tariffs be considered effective on **April 1, 2026.**

Notice

Customer Notice – Pursuant to GO 96-B, Water Industry Rules 3.2 and 7.3.1, a Tier 1 advice letter to amortize a balancing account to *decrease* rates is effective pending disposition and does not require notice under Water Industry Rule 3.2. In accordance with GO 96-B Water Industry Rule 3.3, Cal Water will publish on its website a copy of this advice letter as a pending item.

[9] Cal Water's Central Support Services ("CSS") area represents general office projects, which are allocated across Cal Water's 19 ratemaking areas using the adopted four-factor methodology.

Service List: In accordance with General Order 96-B, General Rule 4.3 and 7.2 and Water Industry Rule 4.1, a copy of this advice letter will be transmitted ***electronically*** on **January 5, 2026,** to competing and adjacent utilities and other utilities or interested parties having requested such notification. ***Please note that this advice letter is only being distributed electronically.***

Response or Protest

Anyone may respond to or protest this advice letter. A response supports the filing and may contain information that proves useful to the Commission in evaluating the advice letter. A protest objects to the advice letter in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

(1) The utility did not properly serve or give notice of the advice letter;
(2) The relief requested in the advice letter would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
(3) The analysis, calculations, or data in the advice letter contain material error or omissions;
(4) The relief requested in the advice letter is pending before the Commission in a formal proceeding; or
(5) The relief requested in the advice letter requires consideration in a formal hearing, or is otherwise inappropriate for the advice letter process; or
(6) The relief requested in the advice letter is unjust, unreasonable, or discriminatory (provided that such a protest may not be made where it would require relitigating a prior order of the Commission.)

A protest shall provide citations or proofs where available to allow staff to properly consider the protest. A response or protest must be made in writing or by electronic mail and must be received by the Water Division within 20 days of the date this advice letter is filed. The advice letter process does not provide for any responses, protests or comments, except for the utility's reply, after the 20-day comment period. The address for mailing or delivering a protest is:

Tariff Unit, Water Division 3rd floor
California Public Utilities Commission,
505 Van Ness Avenue, San Francisco, CA 94102
water_division@cpuc.ca.gov

On the same date the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy by mail (or e-mail) to us, addressed to:

Natalie Wales
California Water Service Company
1720 North First Street,
San Jose, California 95112
cwsrates@calwater.com

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, within the 20-day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

Replies

The utility shall reply to each protest and may reply to any response. Each reply must be received by the Water Division within 5 business days after the end of the protest period and shall be served on the same day to the person who filed the protest or response. If you have not received a reply to your protest within 10 business days, contact California Water Service Company at 408-367-8200.

CALIFORNIA WATER SERVICE COMPANY

/s/

Cooper Cameron
Regulatory Program Manager

cc: Eddie Scher (Public Advocates Office)
PublicAdvocatesWater@cpuc.ca.gov

TARIFFS

7. Refund of 2021 GRC Capital One-Way Balancing Account (COBA) Unspent Amounts (N)

The purpose of this surcredit is to refund unspent revenue requirements for two programs approved in rates during the 2021 GRC period of 2023-2025:

a) Control Valve Overhaul and Replacement Program
b) Pump and Motor Replacement Program

This refund will apply to metered customers through a one-time credit.

One-Time Credit, Effective April 1, 2026	
Ratemaking Area	**Credit ($/Month)**
Bay Area Region	$0.81
East Los Angeles	$0.75
Kern River Valley	$7.62
Livermore	$0.36
Los Altos	$0.15
North Valley Region	$0.14
Salinas Valley Region	$0.43
South Bay Region	$0.10
Stockton	$0.35

(N)

Table of Contents
Rate Schedules

Sheet Subject Matter	Schedule No.	CPUC Sheet No.	
ALL DISTRICTS:			
Service to Company Employees	ED-1	5168-W	
Surcharge to Fund Public Utilities Commission Reimbursement Fee	UF	XXXXX-W	(C)
Rate Support Fund (RSF)			
Page 1	RSF	13764-W	
Page 2	RSF	13546-W	
Customer Assistance Program (CAP)			
Page 1	CAP	13009-W	
Page 2	CAP	12547-W	
Page 3	CAP	13767-W	
Page 4	CAP	12549-W	
Additional Surcharges/Surcredits			
Page 1	AS	13561-W	
Page 2	AS	13706-W	
Page 3	AS	13587-W	
Page 4	AS	13793-W	
Page 5	AS	13602-W	
Page 6	AS	13605-W	
Page 7	AS	13774-W	
Page 8	AS	XXXXX-W	(N)
Fire Flow Testing Charge	FF	8597-W	
Construction and Temporary Metered Service			
Page 1	9-CM	11514-W	
Page 2	9-CM	11513-W	
Private Fire Protection Service			
Page 1	AA-4	13544-W	
Page 2	AA-4	11630-W	

(Continued)

Table of Contents

The following listed tariff sheets contain all effective rates and rules affecting the rates and service of the Utility together with information relating thereto:

Sheet Subject Matter	Service Area	Schedule No.	CPUC Sheet No.	
Title Page			13288-W	
Table of Contents				
Page 1	Table of Contents		XXXXX-W	(C)
Page 2	Preliminary Statements		13574-W	
Page 3	Preliminary Statements		13573-W	
Page 4	Preliminary Statements		13781-W	
Page 5	Preliminary Statements		13805-W	
Page 6	Rate Schedules - All Districts		XXXXX-W	(C)
Page 7	Rate Schedules - All Districts		13305-W	
Page 8	Rate Schedules - District Specific		13810-W	
Page 9	Rate Schedules - District Specific		13760-W	
Page 10	Rate Schedules - District Specific		13759-W	
Page 11	Rate Schedules - District Specific		13804-W	
Page 12	Rate Schedules - District Specific		13772-W	
Page 13	Rate Schedules - District Specific		13794-W	
Page 14	Service Area Maps		13813-W	
Page 15	Service Area Maps		13816-W	
Page 16	Service Area Maps		13582-W	
Page 17	Rules		13295-W	
Page 18	Rules		13294-W	
Page 19	Rules		13293-W	
Page 20	Rules		13292-W	
Page 21	Sample Forms		13291-W	
Page 22	Sample Forms		13290-W	
Page 23	Sample Forms		13820-W	

(Continued)

ATTACHMENT A

CALIFORNIA WATER SERVICE COMPANY REQUEST FOR EXTENSION TO COMPLY WITH ORDERING PARAGRAPHS 24, 25, AND 28 OF DECISION 24-03-042

CALIFORNIA WATER SERVICE
1720 North First Street
San Jose, CA 95112-4598 *Tel:* (408) 367-8200

VIA E-MAIL

May 15, 2024

Rachel A. Peterson
Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
rachel.peterson@cpuc.ca.gov

Re: California Water Service Company (U-60-W)
Request for Extension to Comply with Ordering Paragraphs 24, 25, and 28 of Decision 24-03-042 (re Capital One-Way Balancing Account)

Dear Executive Director Peterson,

Pursuant to Rule 16.6 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission"), California Water Service Company ("Cal Water") respectfully requests an extension to comply with Ordering Paragraphs ("OPs") 24, 25, and 28 of Decision ("D.") 24-03-042. D.24-03-042 resolved Cal Water's 2021 General Rate Case and adopted customer rates for January 1, 2023 - December 31, 2025.

OPs 24, 25, and 28 require Cal Water to open one-way balancing accounts to track certain capital expenditures approved in D.24-03-042, and to refund unspent funds to customers "in the next general rate case." Cal Water's "next general rate case," however, will be filed on July 1, 2024. At that time, Cal Water will still be in the midst of constructing the approved capital projects. Instead, Cal Water requests that refunds be provided to customers after the rate case period ends on December 31, 2025 – more specifically, 90 days after that date, on **March 31, 2026**.

Relevant Compliance Requirements in D.24-03-042

As indicated in OPs 24, 25, and 28 shown below, the expenditures to be tracked relate to three capital programs: control valve overhaul and replacement, pump and motor replacement, and personal computer and related device purchases (emphasis added):

> *OP 24. We adopt California Water Service Company's (Cal Water) forecast for control valve overhaul and replacement, less their requested contingency. We further order Cal Water to record its costs related to* ***control valve overhaul and replacement*** *in a one-way balancing account. Cal Water must track its actual expenditures and the projects it completes, and any unspent forecast included in*

rates must be refunded in the next general rate case (GRC).

OP 25. We adopt California Water Service Company's (Cal Water) forecast for its ***Pump and Motor Replacement Program****. We also order Cal Water to file by a Tier 1 advice letter a one-way balancing account for pump and motor replacements. Cal Water must track its actual expenditures and the projects it completes, and any unspent forecast included in rates must be refunded in the next general rate case (GRC). We expect Cal Water to demonstrate that the projects that were forecast in this proceeding are the bulk of the projects completed and any substituted replacement projects must be fully explained in its testimony in the subsequent GRC.*

OP 28. We adopt California Water Company's (Cal Water) forecast to timely replace portions of its inventory of ***personal computers and related devices*** *as forecast. We also order Cal Water to file by a Tier 1 advice letter a one-way balancing account for this replacement program and it must report in its next general rate case (GRC) a comparison between its forecast and actual costs in both dollars and units of equipment as a part of its overall justification for any further funding in the next GRC.*[1]

Discussion

The Commission did not establish the budgets for the capital projects addressed in OPs 24, 25, and 28 until **March 7, 2024**, partway through the rate case period in which the approved projects are supposed to be implemented. Cal Water is still in the midst of adjusting its capital investment plan to re-align it, where possible, with the costs adopted in D.24-03-042.

In addition, Cal Water could not have anticipated the requirements in OPs 24, 25, and 28. While other balancing and memo accounts approved in D.24-03-042 were included in a partial settlement and/or proposed by Cal Water, the possibility of a *capital one-way balancing account to refund unspent capital costs* first appeared in the proceeding in the proposed decisions.

The Commission does not question the need for and value of the capital projects in OPs 24, 25, and 28; instead, the Commission expresses concern that the projects may not be completed within the GRC period. Since the capital budgets adopted in D.24-03-042 established rates for 2023-2025, it makes sense to wait until the end of the rate case period to compare actual and adopted expenditures for the specified capital projects.

[1] While not mentioned in OP 28, D.24-03-042 states Cal Water must refund unspent funds to customers. D.24-03-042 at 144-145.

Rather than providing refunds for approved capital costs for projects that have not yet been completed as part of its 2024 GRC Application, Cal Water believes it is in the public interest to evaluate the capital projects completed as of December 31, 2025. This revised compliance deadline maximizes the likelihood that customers will receive the benefits of the identified projects. Finally, granting this extension does not harm or prejudice any interested parties.

Cal Water therefore requests authority to refund any unspent funds that were authorized by OPs 24, 25, and 28, and are embedded in rates for 2023-2025, by **March 31, 2026** (90 days after year-end). ***Cal Water requests a response to this request by May 31, 2024, so that the company can plan for compliance with OPs 24, 25, and 28 in its July 1, 2024 GRC Application, if needed.***

If you have any questions about this request, please do not hesitate to contact me at (408) 367-8566 or nwales@calwater.com.

Regards,

Natalie D. Wales
Director, Rates
California Water Service Company

cc: Terence Shia, Service List for A.21-07-002, aljextensionrequests@cpuc.ca.gov

ATTACHMENT B

JULY 1, 2025 RESPONSE FROM THE EXECUTIVE DIRECTOR OF THE CPUC APPROVAL CAL WATER'S REQUEST FOR EXTENSION

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

July 1, 2024 File No.: A.21-07-002

Natalie D. Wales
Director, Rates
California Water Service Company
1720 North First Street
San Jose, CA 95112-4598

RE: Request by California Water Service Company (U-60-W) for an Extension of Time to Comply with Ordering Paragraphs 24, 25, and 28 of Decision 24-03-042 in Application 21-07-002

Dear Natalie Wales:

By your letter dated May 15, 2024, you request an extension of time for California Water Service Company (Cal Water) to comply with Ordering Paragraphs (OPs) 24, 25, and 28 of Decision (D.) 24-03-042 (Request).

Commission Rule 16.6 provides that an extension request must be made "at least five business days before the existing date for compliance." OP Nos. 24, 25, and 28 do not contain specific dates for compliance, but imply that Cal Water must comply with their terms on or about the date for filing Cal Water's next General Rate Case application, i.e., July 1, 2024. Five business days before July 1, 2024, would be June 24, 2024. Your letter was timely.

Your letter states that Cal Water will not have final cost data for the control valve overhaul and replacement plan (OP No. 24), the pump and motor replacement program (OP No. 25), and the replacement of personal computers and related devices used by Cal Water's employees (OP No. 28) by July 1, 2024. You state that if the Ordering Paragraphs require Cal Water to make known the <u>final</u> cost of these three capital programs by July 1, 2024, it will not be possible to do so.

You explain that the capital budgets for these three system-wide capital projects were first set by the Commission on March 7, 2024, and that the three capital projects are underway but will not be completed by July 1, 2024.

Cal Water proposes December 31, 2025 as a better date on which to measure whether there are any unspent capital funds for one or more of these specific capital projects. This is also the statutory deadline for the Commission to resolve Cal Water's impending July 1, 2024 General

Rate Case filing.[1] You point out that no interested party will be harmed or prejudiced by such a timetable.

No responses to your letter were received.

Based on the information contained in your letter, it appears that it will not be possible for Cal Water to know with certainty by July 1, 2024 whether these projects will result in either cost overruns or underruns, and, if the latter, how large the sur-credits on customer billings will be.

I do not agree that the measurement of the final cost for a particular capital project compared to the approved budget for that project should remain unresolved until December 31, 2025. If a comparison of total cost of any project against its approved budget can be made before December 31, 2025, and it shows a credit is due ratepayers, then Cal Water should provide the sur-credit to ratepayers as soon as feasible using an appropriate ratemaking mechanism.

I approve an extension beyond July 1, 2024 as follows:

- Cal Water's extension is approved only to the date that the final costs can be established with reasonable certainty for each project.
- In no circumstance shall that date be later than December 31, 2025.
- The Tier 1 advice letters referenced in D.24-03-042 shall be filed within five days of the date that each project's final cost is known to Cal Water.
- Cal Water's related request for a 90-day period from which the comparison of final cost to approved budget is made to deliver any sur-credit to all its ratepayers is reasonable and is approved.
- No other requirements in OPs 24, 25, or 28 are modified.

Pursuant to Rule 16.6, Cal Water must promptly inform all parties to Application 21-07-002 of this extension and must also state in the opening paragraph of that notice and in the opening paragraph of any relevant filings that the Executive Director has authorized the extension.

Sincerely,

Rachel Peterson

Rachel Peterson
Executive Director

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[1] To the proposed December 31, 2025 date for making the final assessment as to whether there are unspent funds in the approved budgets for the projects, Cal Water requests another 90 days to refund any unspent funds to ratepayers.

ATTACHMENT C

LIST OF 2021 GRC CAPITAL ONE-WAY BALANCING ACCOUNT CAPITAL PROJECTS

Attachment C - 2021 GRC COBA Projects

District ID	District	Description	PID	Adopted Cost	Program
172	Antelope	LHUG 001-01 - Replace Pump & Motor	123829	$31,073	Pump & Motor
172	Antelope	LHUG 001-02 - Replace Pump & Motor	123831	$31,073	Pump & Motor
172	Antelope	LHUG 002-02 - Replace Pump & Motor	123834	$37,322	Pump & Motor
172	Antelope	FREM 001-01 - Replace Pump & Moto	123827	$37,322	Pump & Motor
101	Bakersfield	BK 003-04 Replace Pump & Motor	123409	$90,891	Pump & Motor
101	Bakersfield	BK 087-E Replace Pump & Motor	123430	$79,067	Pump & Motor
101	Bakersfield	BK 091-C Replace Pump & Motor	123437	$50,389	Pump & Motor
101	Bakersfield	BK 097-B Replace Pump & Motor	123440	$52,090	Pump & Motor
101	Bakersfield	BK 097-C Replace Pump & Motor	123462	$52,090	Pump & Motor
101	Bakersfield	BK 100-E Replace Pump & Motor	123471	$50,389	Pump & Motor
101	Bakersfield	BK 144-01 Replace Pump & Motor	123473	$87,703	Pump & Motor
101	Bakersfield	BK 195-01 Replace Pump & Motor	123475	$87,703	Pump & Motor
101	Bakersfield	BK 212-D Replace Pump & Motor	123643	$52,466	Pump & Motor
101	Bakersfield	BK 116-F Replace Pump & Motor	123645	$75,119	Pump & Motor
101	Bakersfield	BK 162-A Replace Pump & Motor	123654	$50,389	Pump & Motor
101	Bakersfield	BK 162-B - Replace Pump & Motor	123658	$50,389	Pump & Motor
101	Bakersfield	BK 040-02 - Replace Pump & Motor	124291	$178,517	Pump & Motor
101	Bakersfield	BK 134-01 - Replace Pump & Motor	124295	$174,804	Pump & Motor
101	Bakersfield	BK 042-02 - Replace Pump & Motor	124297	$90,891	Pump & Motor
152	Bayshore	MPS 106-B - Replace Pump & Motor	124001	$78,044	Pump & Motor
152	Bayshore	MPS 107-C - Replace Pump & Motor	124073	$98,066	Pump & Motor
152	Bayshore	MPS 112-A Replace Pump & Motor	124075	$55,210	Pump & Motor
152	Bayshore	MPS 114-B Replace Pump & Motor	124081	$42,483	Pump & Motor
152	Bayshore	MPS 118-A Replace Pump & Motor	124085	$85,513	Pump & Motor
152	Bayshore	MPS 120-B Replace Pump & Motor	124090	$42,726	Pump & Motor
152	Bayshore	SSF 006-D - Replace Pump & Motor	123830	$55,024	Pump & Motor
152	Bayshore	SSF 006-F Replace Pump & Motor	123852	$54,886	Pump & Motor
152	Bayshore	SSF 013-A Replace Pump & Motor	123854	$39,041	Pump & Motor
152	Bayshore	SSF 101-A Replace Pump & Motor	123856	$54,493	Pump & Motor
152	Bayshore	SSF 101-B Replace Pump & Motor	123858	$54,493	Pump & Motor
102	Bear Gulch	BG 005-K Replace Pump & Motor	123814	$156,169	Pump & Motor
102	Bear Gulch	BG 019-B Replace Pump & Motor	123820	$42,424	Pump & Motor
996	Chico	CH 027-01 Replace Pump & Motor	124055	$92,768	Pump & Motor
996	Chico	CH 029-01 Replace Pump & Motor	124057	$93,001	Pump & Motor
996	Chico	CH 081-C Replace Pump & Motor	124060	$79,230	Pump & Motor
996	Chico	CH 064-01 - Replace Pump & Motor	124061	$93,001	Pump & Motor
997	Dominguez	DOM 215-A Replace Pump & Motor	123697	$87,761	Pump & Motor
997	Dominguez	DOM 275-01 Replace Pump & Motor	123738	$87,761	Pump & Motor
997	Dominguez	DOM 298-01 Replace Pump & Motor	123743	$141,347	Pump & Motor
106	East Los Angeles	ELA 055-A Replace Pump & Motor	123282	$50,181	Pump & Motor
134	Kern River Valley	BOD 104-B - Replace Pump & Motor	123767	$50,765	Pump & Motor
134	Kern River Valley	SQUM 15-B Replace Pump & Motor	123775	$89,281	Pump & Motor
110	Livermore	LIV 016-A Replace Pump & Motor	124072	$53,067	Pump & Motor
110	Livermore	LIV 023-G Replace Pump & Motor	124074	$54,858	Pump & Motor
110	Livermore	LIV 025-B - Replace Pump & Motor	124078	$54,858	Pump & Motor

Attachment C - 2021 GRC COBA Projects

110	Livermore	LIV 026-B - Replace Pump & Motor	124084	$39,303	Pump & Motor
110	Livermore	LIV 028-A Replace Pump & Motor	124885	$54,858	Pump & Motor
110	Livermore	LIV 028-B Replace Pump & Motor	124887	$54,858	Pump & Motor
110	Livermore	LIV 13-E Replace Pump & Motor	125124	$55,665	Pump & Motor
110	Livermore	LIV 19-01 Replace Pump & Motor	125126	$83,681	Pump & Motor
111	Los Altos	LAS 001-02 Replace Pump & Motor	123862	$82,843	Pump & Motor
111	Los Altos	LAS 001-E Replace Pump & Motor	123865	$78,903	Pump & Motor
111	Los Altos	LAS 009-D Replace Pump & Motor	123867	$52,795	Pump & Motor
111	Los Altos	LAS 009-E Replace Pump & Motor	123870	$52,795	Pump & Motor
111	Los Altos	LAS 011-D - Replace Pump & Motor	123917	$52,663	Pump & Motor
111	Los Altos	LAS 019-A - Replace Pump & Motor	123918	$39,101	Pump & Motor
111	Los Altos	LAS 023-D - Replace Pump & Motor	123923	$78,706	Pump & Motor
111	Los Altos	LAS 023-F - Replace Pump & Motor	123969	$78,706	Pump & Motor
111	Los Altos	LAS 032-01 - Replace Pump & Motor	123981	$95,231	Pump & Motor
111	Los Altos	LAS 039-01 - Replace Pump & Motor	123984	$92,618	Pump & Motor
111	Los Altos	LAS 033-A - Replace Pump & Motor	124003	$53,058	Pump & Motor
111	Los Altos	LAS 104-A - Replace Pump & Motor	124019	$54,577	Pump & Motor
996	Oroville	ORO 011-A - Replace Pump & Motor	124182	$39,511	Pump & Motor
172	Palos Verdes	PV 014-A Replace Pump & Motor	123752	$37,405	Pump & Motor
172	Palos Verdes	PV 015-D Replace Pump & Motor	123758	$52,586	Pump & Motor
171	Salinas	SLN 058-A - Replace Pump & Motor	123678	$38,916	Pump & Motor
171	Salinas	SLN 020-01 - Replace Pump & Motor	123682	$96,402	Pump & Motor
117	Selma	SEL O11-01 - Replace Pump & Motor	123214	$93,011	Pump & Motor
119	Stockton	STK 007-02 Replace Pump & Motor	123736	$95,444	Pump & Motor
119	Stockton	STK 069-02 Replace Pump & Motor	123751	$130,842	Pump & Motor
119	Stockton	STK 018-01 - Replace Pump & Motor	124189	$69,844	Pump & Motor
119	Stockton	STK 60-01 - Replace Pump & Motor	124191	$131,170	Pump & Motor
120	Visalia	VIS 070-01 - Replace Pump and Motor	123232	$92,025	Pump & Motor
120	Visalia	VIS 072-01 - Replace Pump & Motor	123233	$92,255	Pump & Motor
120	Visalia	VIS 012-A - Replace Pump & Motor	123239	$39,481	Pump & Motor
120	Visalia	VIS 032-01 - Replace Pump & Motor	123270	$95,884	Pump & Motor
120	Visalia	VIS 079-01 - Replace Pump & Motor	123276	$92,025	Pump & Motor
120	Visalia	VIS 026-01 Replace Pump & Motor	124119	$95,884	Pump & Motor
120	Visalia	VIS 042-01 Replace Pump & Motor	124124	$69,641	Pump & Motor
120	Visalia	VIS 083-01 - Replace Pump & Motor	124143	$130,461	Pump & Motor
120	Visalia	VIS 300-01 - Replace Pump & Motor	124145	$63,054	Pump & Motor
101	Bakersfield	BK 2022 Control Valve Overhaul	123367	$64,725	Control Valves
101	Bakersfield	BK 2023 Control Valve Overhaul	123377	$63,540	Control Valves
101	Bakersfield	BK 2024 Control Valve Overhaul	123399	$66,471	Control Valves
101	Bakersfield	BK 2022 Control Valve Replacements	123401	$176,158	Control Valves
101	Bakersfield	BK 2024 Control Valve Replacement	123425	$65,629	Control Valves
101	Bakersfield	BK 2023 Control Valve Replacements	123441	$199,739	Control Valves
152	Bayshore	MPS 2022 Control Valve Replacement	123297	$906,897	Control Valves
152	Bayshore	MPS 2022 Control Valve Overhaul	124160	$138,372	Control Valves
152	Bayshore	MPS 2023 Control Valve Overhaul	124170	$138,026	Control Valves
152	Bayshore	MPS 2024 Control Valve Overhaul	124171	$143,043	Control Valves
152	Bayshore	MPS 2023 Control Valve Replacement	123564	$1,062,134	Control Valves

Attachment C - 2021 GRC COBA Projects

152	Bayshore	SSF 2022 Control Valve Overhaul	124192	$44,679	Control Valves
152	Bayshore	SSF 2023 Control Valve Overhaul	124194	$44,567	Control Valves
152	Bayshore	SSF 2024 Control Valve Overhaul	124199	$46,187	Control Valves
152	Bayshore	SSF 2022 Control Valve Replacement	124303	$233,450	Control Valves
152	Bayshore	SSF 2023 Control Valve Replacement	124308	$95,158	Control Valves
102	Bear Gulch	BG 2022 Control Valve Replacement	123574	$170,798	Control Valves
102	Bear Gulch	BG 2023 Control Valve Replacement	123578	$94,243	Control Valves
102	Bear Gulch	BG 2024 Control Valve Replacement	123580	$102,509	Control Valves
102	Bear Gulch	BG 2022 Control Valve Overhaul	124203	$122,389	Control Valves
102	Bear Gulch	BG 2023 Control Valve Overhaul	124204	$122,084	Control Valves
102	Bear Gulch	BG 2024 Control Valve Overhaul	124205	$126,521	Control Valves
996	Chico	CH 2022 Conrol Valve Overhauls	123803	$24,530	Control Valves
996	Chico	CH 2023 Control Valve Overhauls	123808	$24,521	Control Valves
996	Chico	2024 Control Valve Overhaul CH	123809	$26,341	Control Valves
997	Dominguez	DOM 2022 Control Valve Overhaul	123599	$76,347	Control Valves
997	Dominguez	DOM 2023 Control Valve Overhaul	123600	$78,999	Control Valves
997	Dominguez	DOM 2024 Control Valve Overhaul	123601	$84,190	Control Valves
997	Dominguez	DOM 2022 Control Valve Replacement	123596	$254,055	Control Valves
997	Dominguez	DOM 2023 Control Valve Replacement	123597	$261,485	Control Valves
997	Dominguez	DOM 2024 Control Valve Replacement	123598	$369,138	Control Valves
106	East Los Angeles	ELA 2022 Control Valve Replacement	123524	$224,005	Control Valves
106	East Los Angeles	ELA 2023 Control Valve Replacement	123529	$203,649	Control Valves
106	East Los Angeles	ELA 2022 Control Valve Overhaul	123812	$25,775	Control Valves
106	East Los Angeles	ELA 2023 Control Valve Overhaul	123815	$29,529	Control Valves
106	East Los Angeles	ELA 2024 Control Valve Overhaul	123817	$30,308	Control Valves
997	Hermosa Redondo	HR 2022 Control Valve Overhaul	123819	$56,964	Control Valves
997	Hermosa Redondo	HR 2023 Control Valve Overhaul	123821	$59,304	Control Valves
997	Hermosa Redondo	HR 2024 Control Valve Overhaul	123822	$63,114	Control Valves
997	Hermosa Redondo	HR 2022 Control Valve Replacement	123823	$280,343	Control Valves
997	Hermosa Redondo	HR 2023 Control Valve Replacement	123824	$278,524	Control Valves
997	Hermosa Redondo	HR 2024 Control Valve Replacement	123825	$299,624	Control Valves
134	Kern River Valley	KRV 2022 Control Valve Overhaul	123512	$58,103	Control Valves
134	Kern River Valley	KRV 2023 Control Valve Overhaul	123517	$60,421	Control Valves
134	Kern River Valley	KRV 2024 Control Valve Overhaul	123520	$64,320	Control Valves
134	Kern River Valley	KRV 2022 Control Valve Replacement	123608	$231,925	Control Valves
134	Kern River Valley	KRV 2023 Control Valve Replacement	123610	$158,245	Control Valves
134	Kern River Valley	KRV 2024 Control Valve Replacement	123611	$199,026	Control Valves
171	King City	KC 2022 Control Valve Replacement	123832	$75,360	Control Valves
171	King City	KC 2023 Control Valve Replacement	123835	$73,291	Control Valves
110	Livermore	LIV 2022 Control Valve Replacement	123478	$162,684	Control Valves
110	Livermore	LIV 2023 Control Valve Replacement	123479	$96,889	Control Valves
110	Livermore	LIV 2024 Control Valve Replacement	123481	$129,539	Control Valves
110	Livermore	LIV 2022 Control Valve Overhaul	123490	$16,725	Control Valves
110	Livermore	LIV 2023 Control Valve Overhaul	123492	$22,594	Control Valves
110	Livermore	LIV 2024 Control Valve Overhaul	123496	$19,128	Control Valves
111	Los Altos	LAS 2022 Control Valve Replacements	123614	$429,803	Control Valves
111	Los Altos	LAS 2023 Control Valve Replacement	123616	$532,625	Control Valves

Attachment C - 2021 GRC COBA Projects

111	Los Altos	LAS 2024 Control Valve Replacement	123617	$553,734	Control Valves
111	Los Altos	LAS 2022 Control Valve Overhaul	124216	$76,422	Control Valves
111	Los Altos	LAS 2023 Control Valve Overhaul	124217	$76,231	Control Valves
111	Los Altos	LAS 2024 Control Valve Overhaul	124218	$79,002	Control Valves
996	Oroville	ORO 2022 Control Valve Replacement	123463	$64,365	Control Valves
996	Oroville	ORO 2023 Control Valve Replacement	123466	$59,037	Control Valves
996	Oroville	ORO 2024 Control Valve Replacement	123469	$60,034	Control Valves
172	Palos Verdes	PV 2022 Control Valve Overhaul	124174	$521,269	Control Valves
172	Palos Verdes	PV 2023 Control Valve Overhaul	124177	$519,966	Control Valves
172	Palos Verdes	PV 2024 Control Valve Overhaul	124181	$538,867	Control Valves
172	Palos Verdes	PV 2022 Control Valve Replacement	124225	$128,473	Control Valves
172	Palos Verdes	PV 2023 Control Valve Replacement	124274	$279,699	Control Valves
172	Palos Verdes	PVD 2024 Control Valve Replacem.	124281	$464,449	Control Valves
171	Salinas	SLN 2022 Control Valve Overhaul	123843	$79,623	Control Valves
171	Salinas	SLN 2023 Control Valve Overhaul	123845	$82,943	Control Valves
171	Salinas	SLN 2024 Control Valve Overhaul	123846	$85,100	Control Valves
171	Salinas	SLN 2024 Control Valve Replacement	123837	$39,062	Control Valves
123	Westlake	WLK 2022 Control Valve Overhaul	124183	$40,605	Control Valves
123	Westlake	WLK 2023 Control Valve Overhaul	124185	$40,503	Control Valves
123	Westlake	WLK 2024 Control Valve Overhaul	124187	$41,975	Control Valves
330	Customer Support Services	CSS PC Refresh 2022	124543	$343,520	PC Refresh
330	Customer Support Services	CSS PC Refresh 2023	124544	$1,290,477	PC Refresh
330	Customer Support Services	CSS PC Refresh 2024	124545	$476,298	PC Refresh

ATTACHMENT D

SUMMARY OF REVENUE REQUIREMENTS AND REFUND CALCULATIONS

Attachment D - Summary of Revenue Requirements and Refund Calculations

2021 GRC COBA Refund Calculation

Dept ID	Tariff Area	Amortization Balance	Adopted Services (20XX)	Last Adopted AL	OPERATING REVENUES	% of Revenue Requirement	Duration for Monthly Sur-Credit	Monthly Surcharge (Flat) / Sur-credits ($/Services)
101	Bakersfield	$ -	74,849	2570	$ 107,788,346	0.0000%	1	$ -
170	Bay Area Region	$ 44,352	54,655	2571	$ 122,989,152	0.0361%	1	$ 0.81
102	Bear Gulch	$ -	18,599	2571	$ 79,233,515	0.0000%	1	$ -
106	East Los Angeles	$ 19,616	26,236	2570	$ 45,859,646	0.0428%	1	$ 0.75
134	Kern River Valley	$ 31,393	4,121	2570	$ 8,082,357	0.3884%	1	$ 7.62
110	Livermore	$ 6,782	18,882	2570	$ 32,461,426	0.0209%	1	$ 0.36
111	Los Altos	$ 2,765	18,647	2571	$ 63,924,741	0.0043%	1	$ 0.15
172	Los Angeles County Region	$ -	25,643	2570	$ 71,739,081	0.0000%	1	$ -
996	North Valley Region	$ 4,953	35,221	2571	$ 40,381,861	0.0123%	1	$ 0.14
171	Salinas Valley Region	$ 13,552	31,349	2570	$ 49,173,605	0.0276%	1	$ 0.43
117	Selma	$ -	6,560	2570	$ 6,405,174	0.0000%	1	$ -
997	South Bay Region	$ 6,250	60,383	2571	$ 142,886,359	0.0044%	1	$ 0.10
119	Stockton	$ 15,603	44,861	2570	$ 69,183,370	0.0226%	1	$ 0.35
120	Visalia	$ -	49,279	2571	$ 37,328,478	0.0000%	1	$ -
123	Westlake	$ -	6,941	2570	$ 26,515,943	0.0000%	1	$ -
330	CSS	$ -			$ -	0.0000%		
	GRAND TOTAL	**$ 145,265**						

Attachment D - Summary of Revenue Requirements and Refund Calculations

Actual and Adopted Revenue Requirements

(in $000s)

		ADOPTED REVENUE REQUIREMENT			ACTUAL REVENUE REQUIREMENT			DIFFERENCE (REFUND AMOUNT)			
Dept ID	Tariff Area	Control Valves	Pumps & Motors	PC Refresh	Control Valves	Pumps & Motors	PC Refresh	Control Valves	Pumps & Motors	PC Refresh	TOTAL
101	Bakersfield	$ 84.513	$ 167.845		$ 89.043	$ 289.028		$ -	$ -	$ -	$ -
170	Bay Area Region	$ 357.604	$ 67.587		$ 316.340	$ 113.488		$ 41.264	$ -	$ -	$ 41.264
102	Bear Gulch	$ 91.579	$ 26.204		$ 92.183	$ 30.850		$ -	$ -	$ -	$ -
106	East Los Angeles	$ 64.677	$ 6.845		$ 46.427	$ 15.005		$ 18.250	$ -	$ -	$ 18.250
134	Kern River Valley	$ 102.424	$ 19.201		$ 88.915	$ 3.503		$ 13.509	$ 15.699	$ -	$ 29.207
110	Livermore	$ 56.489	$ 60.970		$ 50.179	$ 69.653		$ 6.310	$ -	$ -	$ 6.310
111	Los Altos	$ 222.576	$ 109.880		$ 220.004	$ 141.347		$ 2.572	$ -	$ -	$ 2.572
172	Los Angeles County Region	$ 304.484	$ 30.335		$ 339.406	$ 46.835		$ -	$ -	$ -	$ -
996	North Valley Region	$ 33.690	$ 53.705		$ 29.081	$ 60.108		$ 4.609	$ -	$ -	$ 4.609
171	Salinas Valley Region	$ 57.459	$ 18.971		$ 44.851	$ 24.552		$ 12.608	$ -	$ -	$ 12.608
117	Selma		$ 12.813			$ 18.618		$ -	$ -	$ -	$ -
997	South Bay Region	$ 271.681	$ 40.953		$ 269.790	$ 37.029		$ 1.891	$ 3.924	$ -	$ 5.815
119	Stockton		$ 56.943			$ 42.427		$ -	$ 14.516	$ -	$ 14.516
120	Visalia		$ 103.353			$ 136.481		$ -	$ -	$ -	$ -
123	Westlake	$ 15.126			$ 18.419			$ -	$ -	$ -	$ -
330	CSS			$ 467.814			$ 471.768	$ -	$ -	$ -	$ -
											$ 135.151