

PRELIMINARY STATEMENT  
(Continued)

Sheet 1

**AX. Meadowbrook Contribution in Aid of Construction ("CIAC") Account**

(N)

**1. PURPOSE:**

The Purpose of Meadowbrook Contribution on Aid of Construction ("CIAC") account is to track the \$575,000 expense as part of the total purchase price of Meadowbrook Water Company of Merced. This expense will be recovered by the Northern Division – Sacramento Service Area.

**2. APPLICABILITY:**

Applicable to the Sacramento and Meadowbrook Service Areas of the Northern Division.

**3. ACCOUNTING PROCEDURE:**

The following entries will be recorded to the CIAC account:

- a. A credit entry will be created to add surcharge payments from customers
- b. Interest payments will not be made to this account.
- c.

**4. RATEMAKING PROCEDURE:**

This \$575,000 will be recovered over 36 months as a surcharge to the customers of the Sacramento and Meadowbrook Service Areas of the Northern Division.

(N)

(Continued)

(TO BE INSERTED BY UTILITY)  
 Advice 1280-A  
 Decision

ISSUED BY  
 J. T. LINAM  
 DIRECTOR - Rates & Regulatory

(TO BE INSERTED BY C.P.U.C.)  
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 Resolution \_\_\_\_\_