

PRELIMINARY STATEMENT
(Continued)

Sheet 1

H. California American Water Conservation Surcharge (“CAWCS”) Balancing Accounts

1. PURPOSE:

The purpose of the CAWCS Balancing Accounts is to track conservation-related expenses and surcharges associated with California American Water’s conservation efforts. The balancing account shall be capped at \$5,950,302 for the three-year period from January 1, 2018 through December 31, 2021. California American Water was granted authority to continue this account in Decision (D.) 18-12-021. (T)

District	3-year Combined Conservation Budget (2018-2021)
Larkfield	\$45,700
Los Angeles County	\$532,888
Monterey Service Area	\$2,298,500
Sacramento	\$837,888
San Diego County	\$448,388
Ventura County	\$638,388
Total California American	\$4,801,752

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2. APPLICABILITY:

All ratemaking areas included in Application A.16-07-002 covering the years 2018-2021. (T)

3. ACCOUNTING PROCEDURE:

The following entries will be recorded to the balancing account:

- a. A debit entry equal to the amounts spent as part of conservation efforts.
- b. A credit entry equal to the amounts collected through surcharges as part of conservation efforts.
- c. This is a one-way balancing account, whereby California American Water will refund customers through the appropriate district Consolidated Expense Balancing Account (“CEBA”): (T)
 - i. Amounts that were collected as part of the authorized conservation budget, but were not spent and/or
 - ii. Amounts collected in excess of the authorized conservation budget for each district.
 - iii. Any amounts subject to refund will be amortized after the end of the district’s rate case period.

4. RATEMAKING PROCEDURE:

One-way conservation program dollars remain funded through a separate surcharge and tracked, along with related expenses, in the Conservation Surcharge Balancing Accounts. The dollars funded begin with the start of the rate case cycle and continue through the end of the cycle. Upon Commission review and approval, balances shall be transferred to the appropriate district CEBA for refund after the end of the rate case cycle.

(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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