

Docket	: <u>A.24-07-003</u>
Exhibit Number	: <u>Cal Adv - #</u>
Commissioner	: <u>Matthew Baker</u>
Administrative Law Judge	: <u>Alberto Rosas</u>
Public Advocates Office	: <u>Edward Scher</u>
Witness(es)	: <u>Susana Nasserie</u>



PUBLIC ADVOCATES OFFICE
CALIFORNIA PUBLIC UTILITIES COMMISSION

**EXECUTIVE SUMMARY AND
RESULTS OF OPERATIONS TABLES**

California Water Service Company
Test Year 2026 General Rate Case

Application 24-07-003

San Francisco, California
January 28, 2025

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1 **MEMORANDUM**

2 The Public Advocates Office at the California Public Utilities Commission (“Cal
3 Advocates”) examined application material, data request responses, and other
4 information presented by California Water Service Company (“Cal Water or CWS”) in
5 Application (“A.”) 24-07-003 to provide the California Public Utilities Commission
6 (“Commission” or “CPUC”) with recommendations in the interests of ratepayers for safe
7 and reliable service at the lowest cost. The Executive Summary was prepared by Edward
8 Scher under the general supervision of Program Manager Richard Rauschmeier and
9 Program & Project Supervisor Syreeta Gibbs. The Results of Operations Tables were
10 prepared by Susana Nasserie under the general supervision of Program Manager Richard
11 Rauschmeier, Program & Project Supervisor Syreeta Gibbs and Project Lead Edward
12 Scher. Emily Fisher and Megan Delaporta are Cal Advocates legal counsel.

13 Although every effort was made to comprehensively review, analyze, and provide
14 the Commission with recommendations on each ratemaking and policy aspect presented
15 in the Application, the absence from Cal Advocates’ testimony of any particular issue
16 connotes neither agreement nor disagreement of the underlying request, methodology, or
17 policy position related to that issue.

18

1 **EXECUTIVE SUMMARY**

2 The Rate Case Plan outlines the General Rate Case (GRC) procedure for
3 California's large water investor-owned utilities (IOUs) to forecast a budget for a three-
4 year period. The California Public Utilities Commission (Commission) reviews that
5 proposed budget and sets the company's rates for the GRC period. Once rates are set,
6 expenses the company does not incur are still collected from ratepayers and retained by
7 the company, which can result in unearned profit. It is important to note for this GRC
8 that Cal Water chose not to include extensive new water treatment investments required
9 to comply with new U.S. Environmental Protection Agency maximum contaminant levels
10 (MCLs) for per- and polyfluoroalkyl substances (PFAS). These costs are necessary and
11 will significantly increase customer bills above and beyond the rate changes approved in
12 this GRC.

13 In this testimony, the Public Advocates Office at the California Public Utilities
14 Commission (Cal Advocates) details the adjustments to Cal Water's proposal and the
15 resulting budget that the Commission should approve. A company operating in a
16 competitive marketplace cannot charge customers for unnecessary costs without losing
17 customers to a competitor. For a water IOU, it is the Commission's duty as the substitute
18 for competition to ensure that costs that do not provide water service to ratepayers are not
19 included in customer bills.¹ Cal Advocates agrees with approximately 85 percent of the
20 costs in Cal Water's proposed budget.² However, Cal Advocates has adjusted the
21 requested budget to exclude expenses that are not adequately justified, redundant, outside
22 the GRC period, or are unnecessary for providing water service. In addition, the
23 Commission should consider how to more fairly compensate Cal Water for financing
24 projects under construction.

¹ Decision 24-12-007, p. 14.

² Cal Advocates is advocating a reduction in Cal Water's proposed rate increase, but we agree with 85% of Cal Water's total proposed budget. Test year 2026 Operating Revenues: Cal Advocates recommended [\$816,067,848] / CWS proposed [\$963,840,490] = 85%. Executive Summary, Appendix 2 – Annual SOE p.1 of 20.

1 Cal Water requests to continue receiving its full authorized rate of return on
2 construction works in progress (CWIP). Although there are certainly costs to financing
3 CWIP, allowing Cal Water to use its full rate of return, which combines its long-term cost
4 of debt with a profit component in excess of 10% is unreasonable and unfair to
5 customers. Projects under construction are not yet providing any beneficial service to
6 customers and should never be allowed to accumulate an unearned profit component.
7 Furthermore, Cal Water has lower cost sources of financing available which it uses to
8 finance construction periods. Cal Advocates is not recommending the Commission
9 dictate the sources of funding Cal Water utilizes. Rather customer rates should only
10 include the cost of interest during construction that is reasonable. Requiring ratepayers to
11 fund interest costs greater than those incurred by Cal Water is unjust and unreasonable

12 Cal Water’s request for contingency allowances, which are indiscriminate cost
13 multipliers that inflate the cost of capital projects, should be denied.³ The Commission
14 has determined multiple times, and most recently in the 2021 Cal Water GRC decision,
15 that contingency allowances are intended to cover “unforeseen conditions” that are
16 unpredictable, and therefore, cannot be included in rates.⁴ Likewise, Cal Water includes
17 expenses for non-specific, unforeseen, and emergency expenses that are redundant with
18 other capital and management program expenses in the proposed budget. These
19 contingency adders unnecessarily raise customer bills and insulate shareholders from
20 forecasting risk. These proposed cost adders are excessive and unwarranted and should
21 be removed from the proposed budget.

22 Cal Water’s request to continue to receive ratepayer funding for previously funded
23 but still incomplete projects is unreasonable. These incomplete “carryover” projects
24 represent more than \$600 million in projects for which ratepayers have already paid.⁵
25 Cal Water has full discretion to prioritize projects and investments, however ratepayers
26 should not pay twice for a project that has failed to produce benefits once. Cal Water can

³ Public Advocates Report on Common Plant Issues, Contingency chapter by Suliman Ibrahim.

⁴ See *Decision 24-03-042*; D.21-08-036 at 331; D.19-02-020 at 150-152.

⁵ Sari Testimony

1 request recovery of these previously funded projects in a subsequent general rate case
2 when they are complete and providing benefits to customers.

3 Conservation is a way of life in California, but it is not an excuse to unfairly
4 increase customer bills. Cal Water is proposing to double its conservation budget by
5 adding unnecessary marketing programs and budget multipliers that have little or no
6 proven effect on reducing customer water use.⁶ The Commission should also reject Cal
7 Water’s request to establish a decoupling mechanism that provides no conservation
8 benefits and only serves to reinstate the Water Revenue Adjustment Mechanism
9 (WRAM), a program the Commission previously disallowed because it is deeply unfair
10 to ratepayers.⁷ Likewise, the Commission should adopt a sales forecast based on normal
11 weather assumptions, not the drought-scenario proposed by Cal Water. In the event of
12 drought, the Commission has specific ratemaking procedures and allowances afforded to
13 water utilities to avoid perilous plunges in revenue. By reducing its sales forecast for an
14 assumed drought, the company makes water more expensive whether a drought occurs or
15 not. Finally, the Commission should adopt a rate design that changes the tier breaks in all
16 districts to ensure equitable access to affordable water for indoor use, and a reasonable
17 discretionary use allocation.

18 In our review of Cal Water’s individual water district budgets, Cal Advocates
19 identifies expenses related to incomplete studies, unnecessary land purchases, inactive
20 assets, and unnecessary or cancelled projects that will not contribute to providing water
21 service. These overestimated, non-existent, inadequately justified, and premature
22 expenses should not be included in the authorized budget and added to customer bills.

23 Cal Water’s proposed budget overestimates payroll and health care expenses, and
24 unfairly shifts the burden of pay negotiations and executive compensation to ratepayers.
25 For example, the Commission should eliminate funding for the 129 unfilled positions
26 approved in previous GRC budgets that for which ratepayers have paid. Likewise, while

⁶ Sam Testimony

⁷ D.20-08-047, at 68.

1 executive management may benefit from nearly \$10 million in new compensation
2 equating to a \$60,000 bonus per executive per month, Cal Water provides no evidence
3 that ratepayers will see any benefit from this lavish proposal. Cal Water’s proposed
4 budget increases in these areas is unreasonable.

5 Cal Water projects little or no growth in its customer base over this GRC period.⁸
6 As a result of Cal Advocates examination of Cal Water’s proposed spending, Cal Water’s
7 rates should remain flat in the test year, with slight increases in the attrition years. This is
8 especially important because the GRC does not include all of the rate changes that will
9 occur over the next several years. Cal Water currently plans to file an application by June
10 2, 2025 requesting approval of a budget for PFAS treatment that represents approximately
11 an additional 25 percent to its proposed capital spending in this GRC.⁹ Cal Water
12 estimates that it will need to invest \$215 million in PFAS treatment to comply with new
13 U.S. EPA regulations.¹⁰ The entire requested rate increase for the ongoing GRC is
14 approximately \$300 million.¹¹ The anticipated PFAS treatment could increase customer
15 bills by approximately 10 percent over and above the rate increase that Cal Water is
16 seeking in this GRC.

17 Cal Water’s efforts to fragment the ratemaking process by keeping PFAS treatment
18 out of this GRC shows a disregard for ratepayer impacts and transparency. In its original
19 PFAS capital projects application, filed in September 2023, Cal Water repeatedly stressed
20 the urgent need for this capital investment before the current GRC.¹² After that

⁸ See Roy Keowen Testimony

⁹ Cal Water’s PFAS intentions (additional 25% of capital spending outside of GRC). [California Water subsidiary issues \\$125M in bonds, Investing.com](https://www.investing.com/news/company-news/california-water-subsiidiary-issues-125m-in-bonds) Published 10/23/2024. [<https://www.investing.com/news/company-news/california-water-subsiidiary-issues-125m-in-bonds-93CH-3677164>] Last accessed 1/16/2025.

¹⁰ California Water Service Group Press Release, April 18, 2024, *available at* <https://www.calwatergroup.com/news-media/press-releases/detail/603/california-water-service-group-moving-forward-to-install> (emphasis added).

¹¹ Cal Water GRC Application A.24-07-003.

¹² Application (A.)23-09-002, *California Water Service Company’s Opening Comments on Proposed Decision Dismissing Application* (April 4, 2024), at 3 and 6. Cal Water’s comments on the proposed decision that dismissed A.23-09-002 accused the Commission of “kicking the can down the road” on

1 application was dismissed, Cal Water failed to include the PFAS investments in its budget
2 for this GRC and was ultimately ordered to file its PFAS capital investment application
3 by December 2, 2024. Cal Water filed an extension request in November 2024 to extend
4 the deadline to file its application to June 2, 2025, which was granted. If Cal Water does
5 not file its PFAS capital costs application until June, it would seriously diminish the
6 likelihood of these expenses being reviewed during the current GRC proceeding. Cal
7 Water’s deliberate attempts to avoid including these costs in the current GRC fragments
8 the rate impacts of this large expense and results in a lack of transparency on cumulative
9 bill impacts, which will likely cause customer confusion and frustration. The
10 Commission should therefore retain the possibility of consolidating this GRC proceeding
11 with Cal Water’s anticipated filing for authorization of an additional 25 percent to its
12 capital budget.

13 Similarly, Cal Water is requesting in this proceeding unfair memorandum and
14 balancing accounts to load additional costs into customer bills outside of the GRC
15 budgeting process. The California State Auditor has identified ratemaking that occurs
16 outside the GRC process as a significant problem for ratepayers of IOUs.¹³ Cal
17 Advocates recommends that the Commission significantly curtail Cal Water’s
18 overreliance on these surcharge accounts and narrow the scope of these accounts to
19 ensure that ratemaking occurs through the GRC’s normal budget forecasting process,
20 which produces rate transparency and helps ensure that forecasting risk is borne by those
21 who receive the commensurate profits—the utility shareholders.

PFAS treatment; See also Transcript, *California Water Service Group First Quarter 2024 Earnings Call* (April 25, 2024), pdf p. 7.

¹³ State Auditor Report, August 2023, Report 2022-115 (State Auditor Report) at 22-23; available at: <https://www.bsa.ca.gov/pdfs/reports/2022-115.pdf>, last accessed on January 10, 2025. The State Auditor’s August 2023 Report found that ratemaking outside the GRC process – sometimes referred to as alternative ratemaking – accounted for anywhere between 42% to 86% of utility revenue requirements between general rate cases. The Commission should understand that these concerns also apply for water utilities where surcharges from memorandum and balancing account recovery impact customers’ bills outside of the GRC ratemaking processes.

1 Based on our thorough review of the Cal Water proposed GRC budget, the
2 Commission should lower Cal Water’s proposed budget for the 2026 test year. Resulting
3 rates would be just, reasonable and equitable.

4 The following table (Table 1) compares Cal Advocate’s recommended system-
5 wide rate changes with those presented by CWS in its application.

Table 1: Overall Revenue Increase Comparison (% Change in System Rates)¹⁴

	CWS Application		Cal Advocates	
YEAR	Increased Revenue	Percentage Change	Increased Revenue	Percentage Change
2026	\$140.6M	17.1%	-\$17.7M	-2.1%
2027	\$74.2M	7.7%	\$68.5M	8.4%
2028	\$83.6M	8.1%	\$30.5M	3.5%

6
7 The following table (Table 2) compares Cal Advocate’s recommended percentage
8 changes in system rates by district with those proposed by CWS.

9

¹⁴ CWS ROM Workpapers file: W_Gen Rpt Tables.xlsx reflecting Cal Advocates recommendations as of January 28, 2025.

Table 2: Percentage Increase Comparison by District¹⁵

District Name	CWS PROPOSED			CAL ADVOCATES		
	2026	2027	2028	2026	2027	2028
Bakersfield	19.3%	8.5%	9.1%	-4.4%	9.3%	3.1%
Bay Area Region	15.3%	7.7%	7.6%	1.5%	7.5%	3.3%
Bear Gulch	17.4%	6.8%	7.0%	0.4%	6.1%	2.6%
Diablo Ranch Region - DIX*	0.7%	7.0%	7.4%	-11.2%	8.0%	3.4%
Diablo Ranch Region - LIV*	27.6%	7.0%	7.4%	3.5%	8.0%	3.4%
East Los Angeles	21.0%	6.1%	6.8%	2.6%	7.4%	2.5%
Kern River Valley	2.0%	11.3%	11.4%	-17.5%	13.5%	7.3%
Los Altos	18.4%	11.2%	10.7%	-2.2%	8.0%	4.0%
Los Angeles Co. Region	14.5%	6.3%	7.4%	-2.9%	7.8%	2.9%
Palos Verdes Pipeline	12.8%	-1.9%	-1.9%	10.0%	-2.0%	-2.0%
Los Angeles Co. Region - AV	14.5%	6.3%	7.4%	-2.9%	7.8%	2.9%
Los Angeles Co. Region - PV	14.2%	5.0%	6.0%	-0.8%	6.1%	2.1%
Marysville	21.7%	12.1%	12.0%	0.3%	13.6%	6.4%
North Valley Region – CH**	24.7%	8.4%	9.3%	-2.3%	13.1%	5.4%
North Valley Region – ORO**	24.7%	8.4%	9.3%	-2.3%	13.1%	5.4%
Salinas Valley Region	22.5%	10.3%	10.5%	-3.6%	11.2%	5.2%
Selma	26.6%	9.0%	10.1%	1.2%	14.7%	6.8%
South Bay Region	6.5%	6.6%	6.6%	-8.9%	6.8%	2.3%
Stockton	15.4%	7.0%	7.1%	-1.8%	10.1%	5.0%
Travis	32.6%	13.8%	13.1%	0.5%	22.4%	9.7%
Visalia	31.6%	10.5%	10.9%	-0.8%	11.7%	3.8%
Westlake	20.5%	4.3%	5.4%	4.8%	5.5%	2.5%
Willows	18.3%	6.5%	7.3%	2.6%	10.5%	4.5%

1
2

¹⁵ CWS ROM Workpapers file: W_Gen Rpt Tables.xlsx reflecting Cal Advocates recommendations as of January 28, 2025.

CAL ADVOCATES REPORTS AND WITNESSES

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2
3
4

The following table identifies the Cal Advocates witnesses and reports that provide analysis and recommendations relevant to the requests made by CWS in the current proceeding:

Report Author	Report Title
Edward Scher	Executive Summary
Susana Nasserie	Results of Operations Tables
Roy Keowen	Report on California Water Service Company’s Administrative & General Expenses and Special Requests #7
Chris Ronco	Report On Production Expenses, Operations and Maintenance Expenses, and Special Request #3 (Confidential) Report And Recommendations on Plant for Bakersfield, Kern River Valley, King City, Salinas, Selma, and Visalia Districts, Rate Base, and Taxes
Chandrika Sharma	Report And Recommendations on Plant for Bakersfield, Kern River Valley, King City, Salinas, Selma, and Visalia Districts, Rate Base, and Taxes
Justin Menda	Report on Plant for Bayshore, Bear Gulch, Los Altos, Redwood Valley Districts, and Multiple Common Plant Issues
Kerrie Evans	Report on Balancing and Memorandum Accounts, and Special Requests #8, #9, and #10
Kat Nguyen	Report on Customer Service, ESJ Plan, Plant for Chico, Oroville, Marysville, Willows and Dixon, and Common Plant Issues
Sam Lam	Report on Sales Forecast, Conservation Budgets, Rate Design, and Special Requests #1, #2, #4, and #5.
Sari Ibrahim	Report And Recommendations on Percentage Cost Adders, Previously Funded Incomplete Projects, Common Plant, Customer Support Services and Rancho Dominguez, Four Factor Allocation, Livermore District, Stockton District, and Travis District (CONFIDENTIAL)
Courtney Sorensen	Report on Common Plant and Special Request #11 Report On Capital Projects Forecast for the East Los Angeles, Los Angeles County, and South Bay Regions Report on Common Plant Well Renewal Program and Tank Improvement Program

Appendix 1:
Witness Statement of Qualifications

1 **QUALIFICATIONS AND PREPARED TESTIMONY**
2 **OF**
3 **EDWARD SCHER**
4

5 Q1. Please state your name, business address, and position with the California Public
6 Utilities Commission (“Commission”).

7 A1. My name is Edward Scher, and my business address is 505 Van Ness Ave, San
8 Francisco, CA 94102. I am a Senior Public Utility Regulatory Analyst in the
9 Water Branch of the Public Advocates Office.

10
11 Q2. Please summarize your education background and professional experience.

12 A2. I received a Bachelor of Science Degree in Environmental Science from the
13 George Washington University in 1991. I also earned a Master of City Planning
14 Degree from the Massachusetts Institute of Technology in 1997.

15
16 I have been with the Public Advocates Office – Water Branch since October 2019.
17 I have worked on general rate cases, rulemakings, and other proceedings. Prior to
18 joining the Public Advocates Office, I worked in the field of public interest health
19 and environmental advocacy for more than 25 years.

20
21 Q3. What is your responsibility in this proceeding Cal Water GRC A. 24-07-003?

22 A3. I am responsible for overseeing the Public Advocates Office testimonies,
23 communicating with Cal Water regarding data discovery, and coordinating
24 internally and externally to resolve any issues that arise in this GRC. I am also
25 responsible for the executive summary of the Cal Advocates report.

26
27 Q4. Does this conclude your prepared direct testimony?

28 A4. Yes.
29

1 **QUALIFICATIONS AND PREPARED TESTIMONY**
2 **OF**
3 **SUSANA NASSERIE**
4

5 Q.1 Please state your name and address.

6 A.I My name is Susana Nasserie, and my business address is 320 West 4th Street,
7 Suite 500, Los Angeles, California 90013.

8
9 Q.2 By whom are you employed and what is your job title?

10 A.2 I am a Utilities Engineer in the Water Branch of the Public Advocates Office.
11
12

13 Q.3 Please describe your educational and professional experience.

14 A.3 I received a Master of Science Degree in Environmental Engineering from
15 California State University of Fullerton in 2014. I have been employed by
16 Public Advocates Office - Water Brance since September 2010 and participated
17 in several GRCs. My previous professional experiences include as an Air
18 Resources Engineer at the Air Resources Board where I worked from 2009 to
19 2010 in Mobile Source Control Division. From 2000 to 2009, I served as the
20 Staff Programmer Analyst position at the Los Angeles Regional Water Quality
21 Control Board.
22

23 Q.4 What is your area of responsibility in this proceeding?

24 A.4 I am responsible for the Results of Operation Model (ROM) in CWS 2024
25 GRC.

26
27 Q.5 Does that complete your prepared testimony?

28 A.5 Yes, it does.

Appendix 2:
Results of Operations Tables (Cal Advocates RO Tables)

Annual SOE¹
At Present and Proposed Rates

SUMMARY SOE

Total Companywide²

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	823,282,388	832,667,164	(9,384,776)	963,840,490	814,995,428	148,845,062
-Increase				140,558,102	(17,671,736)	
-Increase (%)				17.1%	-2.1%	
Operating Expenses:						
-Purchased Water	217,140,704	220,432,562	(3,291,858)	217,140,704	220,432,562	(3,291,858)
-Pump Tax	19,670,984	19,723,289	(52,305)	19,670,984	19,723,289	(52,305)
-Purchased Power	31,008,320	25,859,576	5,148,744	31,008,320	25,859,576	5,148,744
-Purchased Chemicals	3,948,720	1,925,075	2,023,645	3,948,720	1,925,075	2,023,645
-Payroll	68,181,565	68,181,566	(1)	68,181,565	68,181,566	(1)
-Uncollectibles	3,576,222	2,777,367	798,855	4,201,516	2,663,444	1,538,072
-Conservation	18,279,791	5,970,256	12,309,535	18,279,791	5,970,256	12,309,535
-Other Operation and Maintenance	55,165,267	47,427,637	7,737,630	55,165,267	47,427,637	7,737,630
-Benefits	15,146,709	13,851,964	1,294,745	15,146,709	13,851,964	1,294,745
-Other Administrative and General	(1,087,427)	(1,181,494)	94,070	(1,087,427)	(1,181,494)	94,070
Total O&M and A&G	431,030,854	404,967,798	26,063,056	431,656,148	404,853,875	26,802,276
Taxes Other Than Income:						
-Ad Valorem	27,593,409	23,842,413	3,750,996	27,593,409	23,842,413	3,750,996
-Business License	1,655,560	1,672,698	(17,138)	2,040,873	1,668,839	372,034
-Local Franchise	5,086,195	5,165,300	(79,105)	5,997,205	5,078,340	918,865
-Payroll Taxes	4,578,248	4,578,253	(5)	4,578,248	4,578,253	(5)
-Other	0	0	0	0	0	0
Total General Taxes	38,913,412	35,258,664	3,654,748	40,209,735	35,167,845	5,041,890
Depreciation and Amortization	102,421,347	90,978,617	11,442,730	102,421,347	90,978,617	11,442,730
CSS Prorated Expenses:						
-Depreciation & Amortization	18,962,610	14,496,932	4,465,678	18,962,610	14,496,932	4,465,678
-O&M and A&G Prorated Expense	119,487,781	67,396,802	52,090,979	119,487,781	67,396,802	52,090,979
-General Taxes Prorated Expense	6,724,192	3,724,889	2,999,303	6,724,192	3,724,889	2,999,303
Total CSS Prorated Expenses	145,174,583	85,618,623	59,555,960	145,174,583	85,618,623	59,555,960
Total Op. Exp. Before Income Taxes	717,540,196	616,823,706	100,716,490	719,461,816	616,618,960	102,842,856
Total Income Taxes	(496,684)	41,243,924	(41,740,608)	38,975,058	37,032,291	1,942,767
Total Operating Expenses	717,043,512	658,067,630	58,975,882	758,436,873	653,651,251	104,785,622
Net Operating Revenue	106,238,876	174,599,534	(68,360,658)	205,403,617	161,344,177	44,059,440
Depreciated Rate Base	\$ 2,753,399,714	\$ 2,162,774,105	\$ 590,625,609	\$ 2,753,399,714	\$ 2,162,774,105	\$ 590,625,609
Rate of Return	3.86%	8.07%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore
2. Total numbers from all districts/regions including the proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

101 - Bakersfield (BKD)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	97,603,460	98,961,982	(1,358,522)	116,484,362	94,624,543	21,859,819
-Increase				18,880,902	(4,337,439)	
-Increase (%)				19.3%	-4.4%	
Operating Expenses:						
-Purchased Water	13,015,242	13,015,242	0	13,015,242	13,015,242	0
-Pump Tax	1,648,633	1,689,346	(40,713)	1,648,633	1,689,346	(40,713)
-Purchased Power	7,102,225	6,291,743	810,482	7,102,225	6,291,743	810,482
-Purchased Chemicals	1,364,138	1,076,894	287,244	1,364,138	1,076,894	287,244
-Payroll	10,945,392	10,945,392	(0)	10,945,392	10,945,392	(0)
-Uncollectibles	1,092,876	878,881	213,995	1,304,287	840,361	463,926
-Conservation	3,756,409	990,385	2,766,024	3,756,409	990,385	2,766,024
-Other Operation and Maintenance	7,598,065	6,600,383	997,682	7,598,065	6,600,383	997,682
-Benefits	2,398,657	2,195,692	202,965	2,398,657	2,195,692	202,965
-Other Administrative and General	(1,758,715)	(1,667,022)	(91,692)	(1,758,715)	(1,667,022)	(91,692)
Total O&M and A&G	47,162,923	42,016,937	5,145,988	47,374,334	41,978,416	5,395,919
Taxes Other Than Income:						
-Ad Valorem	3,068,250	2,635,776	432,474	3,068,250	2,635,776	432,474
-Business License	0	0	0	0	0	0
-Local Franchise	1,306,113	1,327,394	(21,281)	1,558,774	1,269,216	289,558
-Payroll Taxes	756,353	756,353	0	756,353	756,353	0
-Other	0	0	0	0	0	0
Total General Taxes	5,130,716	4,719,523	411,193	5,383,377	4,661,345	722,032
Depreciation and Amortization	15,052,469	13,352,192	1,700,277	15,052,469	13,352,192	1,700,277
CSS Prorated Expenses:						
-Depreciation & Amortization	2,706,120	2,052,227	653,893	2,706,120	2,052,227	653,893
-O&M and A&G Prorated Expense	17,051,884	9,540,873	7,511,011	17,051,884	9,540,873	7,511,011
-General Taxes Prorated Expense	959,597	527,306	432,291	959,597	527,306	432,291
Total CSS Prorated Expenses	20,717,601	12,120,405	8,597,195	20,717,601	12,120,405	8,597,195
Total Op. Exp. Before Income Taxes	88,063,709	72,209,058	15,854,651	88,527,781	72,112,358	16,415,423
Total Income Taxes	(1,128,466)	5,567,505	(6,695,971)	4,025,226	4,380,793	(355,567)
Total Operating Expenses	86,935,242	77,776,562	9,158,679	92,553,007	76,493,151	16,059,856
Net Operating Revenue	10,668,217	21,185,420	(10,517,203)	23,931,355	18,131,391	5,799,964
Depreciated Rate Base	\$ 320,795,646	\$ 243,048,142	\$ 77,747,504	\$ 320,795,646	\$ 243,048,142	\$ 77,747,504
Rate of Return	3.33%	8.72%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

170-BAR

170 - Bay Area Region (BAR)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	108,983,887	109,122,714	(138,827)	125,637,829	110,753,350	14,884,479
-Increase				16,653,942	1,630,636	
-Increase (%)				15.3%	1.5%	
Operating Expenses:						
-Purchased Water	47,271,399	47,332,014	(60,615)	47,271,399	47,332,014	(60,615)
-Pump Tax	0	0	0	0	0	0
-Purchased Power	1,181,113	1,013,146	167,967	1,181,113	1,013,146	167,967
-Purchased Chemicals	33,139	112,634	(79,495)	33,139	112,634	(79,495)
-Payroll	6,640,516	6,640,516	0	6,640,516	6,640,516	0
-Uncollectibles	151,954	118,514	33,440	177,847	121,049	56,798
-Conservation	1,669,148	751,411	917,737	1,669,148	751,411	917,737
-Other Operation and Maintenance	6,064,454	5,223,687	840,767	6,064,454	5,223,687	840,767
-Benefits	1,453,399	1,330,536	122,863	1,453,399	1,330,536	122,863
-Other Administrative and General	129,548	135,400	(5,852)	129,548	135,400	(5,852)
Total O&M and A&G	64,594,669	62,657,857	1,936,811	64,620,562	62,660,392	1,960,169
Taxes Other Than Income:						
-Ad Valorem	3,180,489	2,861,394	319,095	3,180,489	2,861,394	319,095
-Business License	7,603	7,603	(0)	7,603	7,603	(0)
-Local Franchise	0	0	0	0	0	0
-Payroll Taxes	486,108	486,109	(1)	486,108	486,109	(1)
-Other	0	0	0	0	0	0
Total General Taxes	3,674,200	3,355,106	319,094	3,674,200	3,355,106	319,094
Depreciation and Amortization	10,913,738	9,745,411	1,168,327	10,913,738	9,745,411	1,168,327
CSS Prorated Expenses:						
-Depreciation & Amortization	2,212,619	1,708,396	504,223	2,212,619	1,708,396	504,223
-O&M and A&G Prorated Expense	13,942,226	7,942,445	5,999,781	13,942,226	7,942,445	5,999,781
-General Taxes Prorated Expense	784,601	438,961	345,640	784,601	438,961	345,640
Total CSS Prorated Expenses	16,939,446	10,089,802	6,849,644	16,939,446	10,089,802	6,849,644
Total Op. Exp. Before Income Taxes	96,122,053	85,848,177	10,273,876	96,147,946	85,850,712	10,297,234
Total Income Taxes	(104,238)	4,337,142	(4,441,380)	4,548,888	4,792,744	(243,856)
Total Operating Expenses	96,017,815	90,185,319	5,832,496	100,696,835	90,643,456	10,053,379
Net Operating Revenue	12,966,072	18,937,394	(5,971,322)	24,940,995	20,109,894	4,831,101
Depreciated Rate Base	\$ 334,329,687	\$ 269,553,150	\$ 64,776,537	\$ 334,329,687	\$ 269,553,150	\$ 64,776,537
Rate of Return	3.88%	7.03%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

102 - Bear Gulch (BG)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	68,133,193	69,258,150	(1,124,957)	79,992,130	69,566,576	10,425,554
-Increase				11,858,937	308,426	
-Increase (%)				17.4%	0.4%	
Operating Expenses:						
-Purchased Water	26,127,458	26,684,517	(557,059)	26,127,458	26,684,517	(557,059)
-Pump Tax	0	0	0	0	0	0
-Purchased Power	1,463,001	1,314,421	148,580	1,463,001	1,314,421	148,580
-Purchased Chemicals	6,979	78,432	(71,453)	6,979	78,432	(71,453)
-Payroll	3,135,626	3,135,626	(0)	3,135,626	3,135,626	(0)
-Uncollectibles	32,623	34,352	(1,729)	38,302	34,505	3,797
-Conservation	913,002	427,996	485,006	913,002	427,996	485,006
-Other Operation and Maintenance	4,092,456	3,542,095	550,361	4,092,456	3,542,095	550,361
-Benefits	698,320	638,518	59,802	698,320	638,518	59,802
-Other Administrative and General	453,611	444,986	8,626	453,611	444,986	8,626
Total O&M and A&G	36,923,076	36,300,942	622,134	36,928,754	36,301,095	627,659
Taxes Other Than Income:						
-Ad Valorem	2,653,823	2,276,276	377,547	2,653,823	2,276,276	377,547
-Business License	68,300	69,423	(1,123)	80,143	69,731	10,412
-Local Franchise	537,974	546,847	(8,873)	631,611	549,283	82,328
-Payroll Taxes	192,184	192,184	0	192,184	192,184	0
-Other	0	0	0	0	0	0
Total General Taxes	3,452,281	3,084,731	367,551	3,557,761	3,087,475	470,287
Depreciation and Amortization	8,081,168	7,021,265	1,059,903	8,081,168	7,021,265	1,059,903
CSS Prorated Expenses:						
-Depreciation & Amortization	1,187,900	915,479	272,421	1,187,900	915,479	272,421
-O&M and A&G Prorated Expense	7,485,235	4,256,093	3,229,142	7,485,235	4,256,093	3,229,142
-General Taxes Prorated Expense	421,233	235,226	186,007	421,233	235,226	186,007
Total CSS Prorated Expenses	9,094,368	5,406,799	3,687,570	9,094,368	5,406,799	3,687,570
Total Op. Exp. Before Income Taxes	57,550,893	51,813,737	5,737,156	57,662,051	51,816,633	5,845,418
Total Income Taxes	412,172	3,149,698	(2,737,526)	3,699,623	3,235,196	464,427
Total Operating Expenses	57,963,065	54,963,434	2,999,630	61,361,675	55,051,829	6,309,846
Net Operating Revenue	10,170,128	14,294,716	(4,124,588)	18,630,455	14,514,747	4,115,708
Depreciated Rate Base	\$ 249,738,008	\$ 194,567,657	\$ 55,170,351	\$ 249,738,008	\$ 194,567,657	\$ 55,170,351
Rate of Return	4.07%	7.35%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

106-ELA

106 - East Los Angeles (ELA)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	42,896,098	43,394,314	(498,216)	51,885,873	44,536,446	7,349,427
-Increase				8,989,775	1,142,132	
-Increase (%)				21.0%	2.6%	
Operating Expenses:						
-Purchased Water	6,057,944	6,394,513	(336,569)	6,057,944	6,394,513	(336,569)
-Pump Tax	3,670,999	3,670,999	(0)	3,670,999	3,670,999	(0)
-Purchased Power	1,908,287	1,408,770	499,517	1,908,287	1,408,770	499,517
-Purchased Chemicals	382,954	303,908	79,046	382,954	303,908	79,046
-Payroll	4,213,110	4,213,110	0	4,213,110	4,213,110	0
-Uncollectibles	166,508	120,506	46,002	201,404	123,678	77,726
-Conservation	531,098	220,001	311,097	531,098	220,001	311,097
-Other Operation and Maintenance	3,958,695	3,258,487	700,208	3,958,695	3,258,487	700,208
-Benefits	944,946	863,605	81,341	944,946	863,605	81,341
-Other Administrative and General	(132,989)	(117,664)	(15,325)	(132,989)	(117,664)	(15,325)
Total O&M and A&G	21,701,551	20,336,235	1,365,316	21,736,447	20,339,406	1,397,040
Taxes Other Than Income:						
-Ad Valorem	1,694,675	1,521,963	172,712	1,694,675	1,521,963	172,712
-Business License	2,300	2,300	(0)	2,300	2,300	(0)
-Local Franchise	595,333	602,915	(7,582)	720,098	618,784	101,314
-Payroll Taxes	282,136	282,136	(0)	282,136	282,136	(0)
-Other	0	0	0	0	0	0
Total General Taxes	2,574,443	2,409,313	165,129	2,699,208	2,425,182	274,025
Depreciation and Amortization	4,937,356	4,501,033	436,323	4,937,356	4,501,033	436,323
CSS Prorated Expenses:						
-Depreciation & Amortization	1,043,017	803,641	239,376	1,043,017	803,641	239,376
-O&M and A&G Prorated Expense	6,572,292	3,736,156	2,836,136	6,572,292	3,736,156	2,836,136
-General Taxes Prorated Expense	369,857	206,490	163,367	369,857	206,490	163,367
Total CSS Prorated Expenses	7,985,166	4,746,287	3,238,879	7,985,166	4,746,287	3,238,879
Total Op. Exp. Before Income Taxes	37,198,517	31,992,868	5,205,649	37,358,176	32,011,909	5,346,267
Total Income Taxes	72,038	2,098,727	(2,026,689)	2,543,022	2,413,008	130,014
Total Operating Expenses	37,270,554	34,091,595	3,178,959	39,901,198	34,424,917	5,476,281
Net Operating Revenue	5,625,544	9,302,719	(3,677,175)	11,984,675	10,111,529	1,873,146
Depreciated Rate Base	\$ 160,652,485	\$ 135,543,286	\$ 25,109,199	\$ 160,652,485	\$ 135,543,286	\$ 25,109,199
Rate of Return	3.50%	6.86%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

134-KRV

134 - Kern River Valley (KRV)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	9,126,145	9,267,804	(141,659)	9,308,444	7,646,756	1,661,688
-Increase				182,299	(1,621,048)	
-Increase (%)				2.0%	-17.5%	
Operating Expenses:						
-Purchased Water	11,601	12,948	(1,347)	11,601	12,948	(1,347)
-Pump Tax	0	0	0	0	0	0
-Purchased Power	254,854	233,182	21,672	254,854	233,182	21,672
-Purchased Chemicals	119,090	107,837	11,253	119,090	107,837	11,253
-Payroll	1,230,067	1,230,067	0	1,230,067	1,230,067	0
-Uncollectibles	297,136	216,644	80,492	303,071	178,751	124,320
-Conservation	47,224	30,528	16,696	47,224	30,528	16,696
-Other Operation and Maintenance	1,386,832	1,254,219	132,613	1,386,832	1,254,219	132,613
-Benefits	267,471	244,973	22,498	267,471	244,973	22,498
-Other Administrative and General	8,463	9,103	(640)	8,463	9,103	(640)
Total O&M and A&G	3,622,738	3,339,501	283,237	3,628,673	3,301,608	327,065
Taxes Other Than Income:						
-Ad Valorem	271,090	238,655	32,435	271,090	238,655	32,435
-Business License	0	0	0	0	0	0
-Local Franchise	90,441	92,717	(2,276)	92,247	76,499	15,748
-Payroll Taxes	89,611	89,611	0	89,611	89,611	0
-Other	0	0	0	0	0	0
Total General Taxes	451,142	420,983	30,159	452,948	404,765	48,183
Depreciation and Amortization	1,005,726	911,348	94,378	1,005,726	911,348	94,378
CSS Prorated Expenses:						
-Depreciation & Amortization	212,846	162,628	50,218	212,846	162,628	50,218
-O&M and A&G Prorated Expense	1,341,190	756,064	585,126	1,341,190	756,064	585,126
-General Taxes Prorated Expense	75,476	41,786	33,690	75,476	41,786	33,690
Total CSS Prorated Expenses	1,629,512	960,479	669,034	1,629,512	960,479	669,034
Total Op. Exp. Before Income Taxes	6,709,117	5,632,311	1,076,806	6,716,859	5,578,200	1,138,659
Total Income Taxes	495,986	886,212	(390,226)	544,834	447,726	97,108
Total Operating Expenses	7,205,103	6,518,522	686,580	7,261,693	6,025,926	1,235,767
Net Operating Revenue	1,921,042	2,749,282	(828,240)	2,046,752	1,620,830	425,922
Depreciated Rate Base	\$ 27,436,348	\$ 21,726,945	\$ 5,709,403	\$ 27,436,348	\$ 21,726,945	\$ 5,709,403
Rate of Return	7.00%	12.65%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

111-LAS

111 - Los Altos (LAS)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	49,345,870	50,114,576	(768,706)	58,416,393	48,993,851	9,422,542
-Increase				9,070,523	(1,120,725)	
-Increase (%)				18.4%	-2.2%	
Operating Expenses:						
-Purchased Water	12,309,185	12,780,733	(471,548)	12,309,185	12,780,733	(471,548)
-Pump Tax	8,198,976	8,198,978	(2)	8,198,976	8,198,978	(2)
-Purchased Power	1,261,824	1,013,504	248,320	1,261,824	1,013,504	248,320
-Purchased Chemicals	196,906	6,350	190,556	196,906	6,350	190,556
-Payroll	2,563,610	2,563,610	0	2,563,610	2,563,610	0
-Uncollectibles	4,459	7,216	(2,757)	5,279	7,055	(1,776)
-Conservation	480,808	203,844	276,964	480,808	203,844	276,964
-Other Operation and Maintenance	2,731,716	2,357,278	374,438	2,731,716	2,357,278	374,438
-Benefits	559,216	512,063	47,153	559,216	512,063	47,153
-Other Administrative and General	73,507	67,781	5,725	73,507	67,781	5,725
Total O&M and A&G	28,380,207	27,711,358	668,849	28,381,027	27,711,196	669,830
Taxes Other Than Income:						
-Ad Valorem	1,639,823	1,306,764	333,059	1,639,823	1,306,764	333,059
-Business License	255	255	0	255	255	0
-Local Franchise	771,393	783,367	(11,974)	913,186	765,849	147,337
-Payroll Taxes	184,596	184,596	0	184,596	184,596	0
-Other	0	0	0	0	0	0
Total General Taxes	2,596,067	2,274,982	321,085	2,737,860	2,257,464	480,396
Depreciation and Amortization	4,988,560	4,100,783	887,777	4,988,560	4,100,783	887,777
CSS Prorated Expenses:						
-Depreciation & Amortization	923,815	695,867	227,948	923,815	695,867	227,948
-O&M and A&G Prorated Expense	5,821,173	3,235,109	2,586,064	5,821,173	3,235,109	2,586,064
-General Taxes Prorated Expense	327,587	178,798	148,789	327,587	178,798	148,789
Total CSS Prorated Expenses	7,072,575	4,109,774	2,962,801	7,072,575	4,109,774	2,962,801
Total Op. Exp. Before Income Taxes	43,037,410	38,196,897	4,840,513	43,180,024	38,179,217	5,000,807
Total Income Taxes	(74,037)	2,383,977	(2,458,014)	2,424,314	2,075,305	349,009
Total Operating Expenses	42,963,373	40,580,874	2,382,499	45,604,338	40,254,523	5,349,816
Net Operating Revenue	6,382,497	9,533,702	(3,151,205)	12,812,056	8,739,329	4,072,727
Depreciated Rate Base	\$ 171,743,380	\$ 117,149,179	\$ 54,594,201	\$ 171,743,380	\$ 117,149,179	\$ 54,594,201
Rate of Return	3.72%	8.14%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

112 - Marysville (MRL)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	4,510,592	4,553,247	(42,655)	5,488,975	4,568,283	920,692
-Increase				978,383	15,036	
-Increase (%)				21.7%	0.3%	
Operating Expenses:						
-Purchased Water	0	0	0	0	0	0
-Pump Tax	0	0	0	0	0	0
-Purchased Power	228,764	173,453	55,311	228,764	173,453	55,311
-Purchased Chemicals	31,567	28,663	2,904	31,567	28,663	2,904
-Payroll	766,828	766,828	0	766,828	766,828	0
-Uncollectibles	44,288	30,197	14,091	53,894	30,297	23,597
-Conservation	55,058	36,236	18,822	55,058	36,236	18,822
-Other Operation and Maintenance	493,965	432,116	61,849	493,965	432,116	61,849
-Benefits	171,990	157,185	14,805	171,990	157,185	14,805
-Other Administrative and General	37,060	30,439	6,621	37,060	30,439	6,621
Total O&M and A&G	1,829,520	1,655,116	174,403	1,839,126	1,655,215	183,909
Taxes Other Than Income:						
-Ad Valorem	162,565	144,819	17,746	162,565	144,819	17,746
-Business License	13,439	13,439	0	13,439	13,439	0
-Local Franchise	0	0	0	0	0	0
-Payroll Taxes	50,886	50,886	(0)	50,886	50,886	(0)
-Other	0	0	0	0	0	0
Total General Taxes	226,890	209,144	17,746	226,890	209,144	17,746
Depreciation and Amortization	689,658	633,526	56,132	689,658	633,526	56,132
CSS Prorated Expenses:						
-Depreciation & Amortization	144,863	111,550	33,313	144,863	111,550	33,313
-O&M and A&G Prorated Expense	912,814	518,602	394,212	912,814	518,602	394,212
-General Taxes Prorated Expense	51,369	28,662	22,707	51,369	28,662	22,707
Total CSS Prorated Expenses	1,109,046	658,815	450,232	1,109,046	658,815	450,232
Total Op. Exp. Before Income Taxes	3,855,114	3,156,600	698,514	3,864,720	3,156,700	708,020
Total Income Taxes	(2,077)	270,205	(272,282)	269,022	274,384	(5,362)
Total Operating Expenses	3,853,037	3,426,805	426,232	4,133,742	3,431,084	702,658
Net Operating Revenue	657,555	1,126,443	(468,888)	1,355,234	1,137,199	218,035
Depreciated Rate Base	\$ 18,166,670	\$ 15,243,948	\$ 2,922,722	\$ 18,166,670	\$ 15,243,948	\$ 2,922,722
Rate of Return	3.62%	7.39%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

117-SEL

117 - Selma (SEL)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	6,091,614	6,165,738	(74,124)	7,709,430	6,236,848	1,472,582
-Increase				1,617,816	71,110	
-Increase (%)				26.6%	1.2%	
Operating Expenses:						
-Purchased Water	0	0	0	0	0	0
-Pump Tax	0	0	0	0	0	0
-Purchased Power	639,483	566,558	72,925	639,483	566,558	72,925
-Purchased Chemicals	27,111	24,631	2,480	27,111	24,631	2,480
-Payroll	807,670	807,670	0	807,670	807,670	0
-Uncollectibles	41,328	32,802	8,526	52,305	33,180	19,125
-Conservation	286,671	55,077	231,594	286,671	55,077	231,594
-Other Operation and Maintenance	807,753	710,390	97,363	807,753	710,390	97,363
-Benefits	181,150	165,557	15,593	181,150	165,557	15,593
-Other Administrative and General	(241,136)	(251,608)	10,473	(241,136)	(251,608)	10,473
Total O&M and A&G	2,550,030	2,111,075	438,954	2,561,006	2,111,454	449,552
Taxes Other Than Income:						
-Ad Valorem	232,240	209,806	22,434	232,240	209,806	22,434
-Business License	721	721	0	721	721	0
-Local Franchise	121,006	122,659	(1,653)	153,143	124,073	29,070
-Payroll Taxes	50,119	50,119	(0)	50,119	50,119	(0)
-Other	0	0	0	0	0	0
Total General Taxes	404,085	383,304	20,780	436,222	384,719	51,503
Depreciation and Amortization	1,125,821	1,047,937	77,884	1,125,821	1,047,937	77,884
CSS Prorated Expenses:						
-Depreciation & Amortization	202,727	155,507	47,220	202,727	155,507	47,220
-O&M and A&G Prorated Expense	1,277,427	722,959	554,468	1,277,427	722,959	554,468
-General Taxes Prorated Expense	71,887	39,957	31,930	71,887	39,957	31,930
Total CSS Prorated Expenses	1,552,041	918,422	633,618	1,552,041	918,422	633,618
Total Op. Exp. Before Income Taxes	5,631,977	4,460,739	1,171,238	5,675,090	4,462,532	1,212,558
Total Income Taxes	(141,094)	273,494	(414,588)	299,565	292,891	6,674
Total Operating Expenses	5,490,883	4,734,233	756,650	5,974,655	4,755,423	1,219,232
Net Operating Revenue	600,731	1,431,505	(830,774)	1,734,775	1,481,425	253,350
Depreciated Rate Base	\$ 23,254,359	\$ 19,858,238	\$ 3,396,121	\$ 23,254,359	\$ 19,858,238	\$ 3,396,121
Rate of Return	2.58%	7.21%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

119-STK

119 - Stockton (STK)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	67,381,975	68,235,179	(853,204)	77,736,934	66,978,972	10,757,962
-Increase				10,354,958	(1,256,207)	
-Increase (%)				15.4%	-1.8%	
Operating Expenses:						
-Purchased Water	13,796,028	13,796,028	0	13,796,028	13,796,028	0
-Pump Tax	1,089,921	1,089,921	0	1,089,921	1,089,921	0
-Purchased Power	534,830	454,079	80,751	534,830	454,079	80,751
-Purchased Chemicals	55,566	(15,021)	70,587	55,566	(15,021)	70,587
-Payroll	5,522,968	5,522,968	(0)	5,522,968	5,522,968	(0)
-Uncollectibles	833,101	628,651	204,450	961,129	617,077	344,052
-Conservation	808,266	372,953	435,313	808,266	372,953	435,313
-Other Operation and Maintenance	4,108,916	3,548,909	560,007	4,108,916	3,548,909	560,007
-Benefits	1,238,730	1,132,100	106,630	1,238,730	1,132,100	106,630
-Other Administrative and General	104,502	79,858	24,644	104,502	79,858	24,644
Total O&M and A&G	28,092,828	26,610,446	1,482,382	28,220,856	26,598,873	1,621,984
Taxes Other Than Income:						
-Ad Valorem	2,986,180	2,661,914	324,266	2,986,180	2,661,914	324,266
-Business License	12,993	13,157	(164)	14,990	12,915	2,075
-Local Franchise	327,321	332,523	(5,202)	377,622	326,401	51,221
-Payroll Taxes	348,669	348,669	(0)	348,669	348,669	(0)
-Other	0	0	0	0	0	0
Total General Taxes	3,675,162	3,356,263	318,899	3,727,460	3,349,899	377,561
Depreciation and Amortization	9,762,274	8,943,249	819,025	9,762,274	8,943,249	819,025
CSS Prorated Expenses:						
-Depreciation & Amortization	1,546,665	1,198,006	348,659	1,546,665	1,198,006	348,659
-O&M and A&G Prorated Expense	9,745,892	5,569,570	4,176,322	9,745,892	5,569,570	4,176,322
-General Taxes Prorated Expense	548,451	307,820	240,631	548,451	307,820	240,631
Total CSS Prorated Expenses	11,841,008	7,075,395	4,765,612	11,841,008	7,075,395	4,765,612
Total Op. Exp. Before Income Taxes	53,371,272	45,985,353	7,385,919	53,551,597	45,967,416	7,584,181
Total Income Taxes	1,044,313	3,741,225	(2,696,912)	3,891,542	3,394,712	496,830
Total Operating Expenses	54,415,586	49,726,578	4,689,008	57,443,139	49,362,128	8,081,011
Net Operating Revenue	12,966,390	18,508,601	(5,542,211)	20,293,794	17,616,843	2,676,951
Depreciated Rate Base	\$ 272,034,777	\$ 236,150,714	\$ 35,884,063	\$ 272,034,777	\$ 236,150,714	\$ 35,884,063
Rate of Return	4.77%	7.84%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

157 - Travis (TRV)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	3,273,020	3,273,020	(0)	4,339,298	3,288,794	1,050,504
-Increase				1,066,278	15,774	
-Increase (%)				32.6%	0.5%	
Operating Expenses:						
-Purchased Water	0	0	0	0	0	0
-Pump Tax	0	0	0	0	0	0
-Purchased Power	0	0	0	0	0	0
-Purchased Chemicals	0	0	0	0	0	0
-Payroll	746,713	746,713	(0)	746,713	746,713	(0)
-Uncollectibles	0	0	0	0	0	0
-Conservation	32,922	18,523	14,399	32,922	18,523	14,399
-Other Operation and Maintenance	418,471	365,509	52,962	418,471	365,509	52,962
-Benefits	167,478	153,061	14,417	167,478	153,061	14,417
-Other Administrative and General	75,486	73,173	2,313	75,486	73,173	2,313
Total O&M and A&G	1,441,071	1,356,980	84,092	1,441,071	1,356,980	84,092
Taxes Other Than Income:						
-Ad Valorem	144,301	115,766	28,535	144,301	115,766	28,535
-Business License	0	0	0	0	0	0
-Local Franchise	0	0	0	0	0	0
-Payroll Taxes	54,269	54,269	(0)	54,269	54,269	(0)
-Other	0	0	0	0	0	0
Total General Taxes	198,570	170,035	28,535	198,570	170,035	28,535
Depreciation and Amortization	198,631	129,457	69,174	198,631	129,457	69,174
CSS Prorated Expenses:						
-Depreciation & Amortization	176,249	139,902	36,347	176,249	139,902	36,347
-O&M and A&G Prorated Expense	1,110,587	650,411	460,176	1,110,587	650,411	460,176
-General Taxes Prorated Expense	62,498	35,947	26,551	62,498	35,947	26,551
Total CSS Prorated Expenses	1,349,334	826,260	523,074	1,349,334	826,260	523,074
Total Op. Exp. Before Income Taxes	3,187,606	2,482,732	704,874	3,187,606	2,482,732	704,874
Total Income Taxes	(89,191)	144,979	(234,170)	209,192	149,393	59,799
Total Operating Expenses	3,098,415	2,627,710	470,704	3,396,798	2,632,124	764,673
Net Operating Revenue	174,605	645,310	(470,705)	942,501	656,669	285,832
Depreciated Rate Base	\$ 12,634,059	\$ 8,802,540	\$ 3,831,519	\$ 12,634,059	\$ 8,802,540	\$ 3,831,519
Rate of Return	1.38%	7.33%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

120-VIS

120 - Visalia (VIS)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	33,930,108	34,299,910	(369,802)	44,657,125	34,041,165	10,615,960
-Increase				10,727,017	(258,745)	
-Increase (%)				31.6%	-0.8%	
Operating Expenses:						
-Purchased Water	0	0	0	0	0	0
-Pump Tax	552,334	563,925	(11,591)	552,334	563,925	(11,591)
-Purchased Power	2,127,274	2,030,070	97,204	2,127,274	2,030,070	97,204
-Purchased Chemicals	245,843	223,384	22,459	245,843	223,384	22,459
-Payroll	5,173,011	5,173,011	0	5,173,011	5,173,011	0
-Uncollectibles	185,382	140,115	45,267	243,990	139,058	104,932
-Conservation	2,325,919	618,578	1,707,341	2,325,919	618,578	1,707,341
-Other Operation and Maintenance	3,310,679	2,850,330	460,349	3,310,679	2,850,330	460,349
-Benefits	1,154,927	1,055,842	99,085	1,154,927	1,055,842	99,085
-Other Administrative and General	132,857	92,390	40,466	132,857	92,390	40,466
Total O&M and A&G	15,208,227	12,747,647	2,460,581	15,266,835	12,746,590	2,520,246
Taxes Other Than Income:						
-Ad Valorem	1,095,348	892,941	202,407	1,095,348	892,941	202,407
-Business License	827	827	(1)	827	827	(1)
-Local Franchise	0	0	0	0	0	0
-Payroll Taxes	320,959	320,959	(0)	320,959	320,959	(0)
-Other	0	0	0	0	0	0
Total General Taxes	1,417,133	1,214,727	202,406	1,417,133	1,214,727	202,406
Depreciation and Amortization	7,150,553	6,289,167	861,386	7,150,553	6,289,167	861,386
CSS Prorated Expenses:						
-Depreciation & Amortization	1,340,473	1,010,650	329,823	1,340,473	1,010,650	329,823
-O&M and A&G Prorated Expense	8,446,632	4,698,549	3,748,083	8,446,632	4,698,549	3,748,083
-General Taxes Prorated Expense	475,335	259,680	215,655	475,335	259,680	215,655
Total CSS Prorated Expenses	10,262,440	5,968,879	4,293,561	10,262,440	5,968,879	4,293,561
Total Op. Exp. Before Income Taxes	34,038,353	26,220,420	7,817,933	34,096,962	26,219,363	7,877,599
Total Income Taxes	(1,720,185)	1,650,949	(3,371,134)	1,265,220	1,578,838	(313,618)
Total Operating Expenses	32,318,169	27,871,368	4,446,800	35,362,182	27,798,201	7,563,981
Net Operating Revenue	1,611,940	6,428,541	(4,816,601)	9,294,944	6,242,964	3,051,980
Depreciated Rate Base	\$ 124,597,100	\$ 83,685,845	\$ 40,911,255	\$ 124,597,100	\$ 83,685,845	\$ 40,911,255
Rate of Return	1.29%	7.68%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

123-WLK

123 - Westlake (WLK)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	21,674,061	22,006,563	(332,502)	26,121,198	23,053,161	3,068,037
-Increase				4,447,138	1,046,598	
-Increase (%)				20.5%	4.8%	
Operating Expenses:						
-Purchased Water	11,950,412	12,170,297	(219,885)	11,950,412	12,170,297	(219,885)
-Pump Tax	0	0	0	0	0	0
-Purchased Power	438,068	350,927	87,141	438,068	350,927	87,141
-Purchased Chemicals	0	0	0	0	0	0
-Payroll	1,626,362	1,626,362	0	1,626,362	1,626,362	0
-Uncollectibles	5,265	13,930	(8,665)	6,345	14,593	(8,248)
-Conservation	871,194	(80,839)	952,033	871,194	(80,839)	952,033
-Other Operation and Maintenance	522,536	421,351	101,185	522,536	421,351	101,185
-Benefits	364,762	333,364	31,398	364,762	333,364	31,398
-Other Administrative and General	132,407	131,503	904	132,407	131,503	904
Total O&M and A&G	15,911,007	14,966,895	944,112	15,912,088	14,967,558	944,530
Taxes Other Than Income:						
-Ad Valorem	435,027	394,530	40,497	435,027	394,530	40,497
-Business License	0	0	0	0	0	0
-Local Franchise	251,744	255,507	(3,763)	303,398	267,658	35,740
-Payroll Taxes	82,849	82,849	(0)	82,849	82,849	(0)
-Other	0	0	0	0	0	0
Total General Taxes	769,620	732,885	36,734	821,274	745,037	76,237
Depreciation and Amortization	1,650,407	1,485,314	165,093	1,650,407	1,485,314	165,093
CSS Prorated Expenses:						
-Depreciation & Amortization	437,327	336,265	101,062	437,327	336,265	101,062
-O&M and A&G Prorated Expense	2,755,701	1,563,309	1,192,392	2,755,701	1,563,309	1,192,392
-General Taxes Prorated Expense	155,077	86,401	68,676	155,077	86,401	68,676
Total CSS Prorated Expenses	3,348,106	1,985,976	1,362,131	3,348,106	1,985,976	1,362,131
Total Op. Exp. Before Income Taxes	21,679,140	19,171,070	2,508,070	21,731,874	19,183,884	2,547,990
Total Income Taxes	(488,561)	540,765	(1,029,326)	741,152	830,055	(88,903)
Total Operating Expenses	21,190,580	19,711,835	1,478,745	22,473,026	20,013,939	2,459,087
Net Operating Revenue	483,481	2,294,728	(1,811,247)	3,648,172	3,039,222	608,950
Depreciated Rate Base	\$ 48,903,115	\$ 40,740,242	\$ 8,162,873	\$ 48,903,115	\$ 40,740,242	\$ 8,162,873
Rate of Return	0.99%	5.63%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹

At Present and Proposed Rates

121 - Willows (WIL)

2026 Present Rates

2026 Proposed Rates

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	4,076,039	4,114,262	(38,223)	4,820,243	4,219,405	600,838
-Increase				744,204	105,143	
-Increase (%)				18.3%	2.6%	
Operating Expenses:						
-Purchased Water	0	0	0	0	0	0
-Pump Tax	0	0	0	0	0	0
-Purchased Power	122,432	100,152	22,280	122,432	100,152	22,280
-Purchased Chemicals	10,688	9,716	972	10,688	9,716	972
-Payroll	593,480	593,480	(0)	593,480	593,480	(0)
Oper Exp-Payroll	378,493	378,493	(0)	378,493	378,493	(0)
Maint Exp-Payroll	91,432	91,432	(0)	91,432	91,432	(0)
A&G Exp-Payroll	123,555	123,555	0	123,555	123,555	0
-Uncollectibles	16,535	17,641	(1,106)	23,692	21,878	1,814
-Conservation	11,111	2,586	8,525	11,111	2,586	8,525
-Other Operation and Maintenance	608,151	537,525	70,626	608,151	537,525	70,626
-Benefits	133,110	121,652	11,458	133,110	121,652	11,458
-Other Administrative and General	53,176	52,180	997	53,176	52,180	997
Total O&M and A&G	1,548,683	1,434,932	113,752	1,555,840	1,439,168	116,672
Taxes Other Than Income:						
-Ad Valorem	143,830	134,655	9,175	143,830	134,655	9,175
-Business License	70,866	71,671	(805)	101,538	88,881	12,657
-Local Franchise	0	0	0	0	0	0
-Payroll Taxes	40,143	40,143	(0)	40,143	40,143	(0)
-Other	0	0	0	0	0	0
Total General Taxes	254,839	246,469	8,370	285,511	263,679	21,832
Depreciation and Amortization	672,848	627,420	45,428	672,848	627,420	45,428
CSS Prorated Expenses:						
-Depreciation & Amortization	116,995	91,670	25,325	116,995	91,670	25,325
-O&M and A&G Prorated Expense	737,210	426,179	311,031	737,210	426,179	311,031
-General Taxes Prorated Expense	41,487	23,554	17,933	41,487	23,554	17,933
Total CSS Prorated Expenses	895,691	541,403	354,288	895,691	541,403	354,288
Total Op. Exp. Before Income Taxes	3,372,061	2,850,224	521,837	3,409,889	2,871,670	538,219
Total Income Taxes	(199,223)	27,534	(226,757)	197,648	250,157	(52,509)
Total Operating Expenses	3,172,838	2,877,758	295,080	3,607,537	3,121,827	485,710
Net Operating Revenue	903,201	1,236,505	(333,304)	1,212,706	1,097,578	115,128
Depreciated Rate Base	\$ 16,256,107	\$ 14,712,844	\$ 1,543,263	\$ 16,256,107	\$ 14,712,844	\$ 1,543,263
Rate of Return	5.56%	8.40%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

182-PVP

182 - Palos Verdes Pipeline (PVP)

2026 Present Rates

2026 Proposed Rates

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	11,428,850	11,560,304	(131,454)	12,897,231	12,717,102	180,129
-Increase				1,468,381	1,156,798	
-Increase (%)				12.8%	10.0%	
Operating Expenses:						
-Purchased Water	0	0	0	0	0	0
-Pump Tax	0	0	0	0	0	0
-Purchased Power	0	0	0	0	0	0
-Purchased Chemicals	0	0	0	0	0	0
-Payroll	0	0	0	0	0	0
-Uncollectibles	0	0	0	0	0	0
-Conservation	0	0	0	0	0	0
-Other Operation and Maintenance	0	0	0	0	0	0
-Benefits	0	0	0	0	0	0
-Other Administrative and General	0	0	0	0	0	0
Total O&M and A&G	0	0	0	0	0	0
Taxes Other Than Income:						
-Ad Valorem	1,107,931	1,099,471	8,460	1,107,931	1,099,471	8,460
-Business License	0	0	0	0	0	0
-Local Franchise	132,839	134,367	(1,528)	149,895	147,802	2,093
-Payroll Taxes	0	0	0	0	0	0
-Other	0	0	0	0	0	0
Total General Taxes	1,240,769	1,233,837	6,931	1,257,825	1,247,272	10,552
Depreciation and Amortization	2,289,613	2,260,446	29,167	2,289,613	2,260,446	29,167
CSS Prorated Expenses:						
-Depreciation & Amortization	0	0	0	0	0	0
-O&M and A&G Prorated Expense	0	0	0	0	0	0
-General Taxes Prorated Expense	0	0	0	0	0	0
Total CSS Prorated Expenses	0	0	0	0	0	0
Total Op. Exp. Before Income Taxes	3,530,383	3,494,283	36,100	3,547,439	3,507,718	39,721
Total Income Taxes	1,602,841	1,661,593	(58,752)	2,008,974	1,981,548	27,426
Total Operating Expenses	5,133,224	5,155,876	(22,652)	5,556,413	5,489,265	67,147
Net Operating Revenue	6,295,626	6,404,428	(108,802)	7,340,818	7,227,837	112,981
Depreciated Rate Base	\$ 98,402,381	\$ 96,887,889	\$ 1,514,492	\$ 98,402,381	\$ 96,887,889	\$ 1,514,492
Rate of Return	6.40%	6.61%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

172-LAR

172 - Los Angeles Region (LAR)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	61,158,895	62,245,914	(1,087,019)	70,001,804	60,422,730	9,579,074
-Increase				8,842,909	(1,823,184)	
-Increase (%)				14.5%	-2.9%	
Operating Expenses:						
-Purchased Water	26,526,796	27,108,148	(581,352)	26,526,796	27,108,148	(581,352)
-Pump Tax	0	0	0	0	0	0
-Purchased Power	4,868,370	3,572,357	1,296,013	4,868,370	3,572,357	1,296,013
-Purchased Chemicals	2,948	0	2,948	2,948	0	2,948
-Payroll	4,190,571	4,190,259	312	4,190,571	4,190,259	312
-Uncollectibles	69,173	78,481	(9,308)	79,290	76,395	2,895
-Conservation	1,653,631	390,396	1,263,235	1,653,631	390,396	1,263,235
-Other Operation and Maintenance	3,104,112	2,561,950	542,162	3,104,112	2,561,950	542,162
-Benefits	940,714	859,622	81,092	940,714	859,622	81,092
-Other Administrative and General	188,405	186,383	2,021	188,405	186,383	2,021
Total O&M and A&G	41,544,719	38,947,596	2,597,122	41,554,836	38,945,510	2,609,325
Taxes Other Than Income:						
-Ad Valorem	1,421,350	1,230,804	190,546	1,421,350	1,230,804	190,546
-Business License	3,846	3,846	0	3,846	3,846	0
-Local Franchise	700,397	712,762	(12,365)	801,831	691,849	109,982
-Payroll Taxes	296,677	296,514	163	296,677	296,514	163
-Other	0	0	0	0	0	0
Total General Taxes	2,422,270	2,243,927	178,344	2,523,704	2,223,014	300,691
Depreciation and Amortization	4,514,757	3,961,424	553,333	4,514,757	3,961,424	553,333
CSS Prorated Expenses:						
-Depreciation & Amortization	1,221,672	929,614	292,058	1,221,672	929,614	292,058
-O&M and A&G Prorated Expense	7,698,037	4,321,808	3,376,229	7,698,037	4,321,808	3,376,229
-General Taxes Prorated Expense	433,208	238,858	194,350	433,208	238,858	194,350
Total CSS Prorated Expenses	9,352,917	5,490,280	3,862,637	9,352,917	5,490,280	3,862,637
Total Op. Exp. Before Income Taxes	57,834,662	50,643,226	7,191,436	57,946,214	50,620,227	7,325,987
Total Income Taxes	(792,182)	2,330,741	(3,122,923)	1,651,167	1,826,984	(175,817)
Total Operating Expenses	57,042,481	52,973,967	4,068,514	59,597,380	52,447,212	7,150,169
Net Operating Revenue	4,116,414	9,271,947	(5,155,533)	10,404,424	7,975,519	2,428,905
Depreciated Rate Base	\$ 139,469,494	\$ 106,910,439	\$ 32,559,055	\$ 139,469,494	\$ 106,910,439	\$ 32,559,055
Rate of Return	2.95%	8.67%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

996-NVR

996 - North Valley Region (NVR)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	36,163,625	36,549,638	(386,013)	45,092,888	35,707,502	9,385,386
-Increase				8,929,263	(842,136)	
-Increase (%)				24.7%	-2.3%	
Operating Expenses:						
-Purchased Water	243,444	244,094	(650)	243,444	244,094	(650)
-Pump Tax	0	0	0	0	0	0
-Purchased Power	3,564,428	2,772,592	791,836	3,564,428	2,772,592	791,836
-Purchased Chemicals	521,802	(91,297)	613,099	521,802	(91,297)	613,099
-Payroll	5,062,716	5,062,716	0	5,062,716	5,062,716	0
-Uncollectibles	187,617	132,326	55,291	238,503	127,527	110,976
-Conservation	474,215	209,954	264,261	474,215	209,954	264,261
-Other Operation and Maintenance	3,395,057	2,960,582	434,475	3,395,057	2,960,582	434,475
-Benefits	1,118,591	1,023,358	95,233	1,118,591	1,023,358	95,233
-Other Administrative and General	93,614	53,609	40,005	93,614	53,609	40,005
Total O&M and A&G	14,661,484	12,367,934	2,293,550	14,712,369	12,363,135	2,349,234
Taxes Other Than Income:						
-Ad Valorem	1,378,044	1,153,648	224,396	1,378,044	1,153,648	224,396
-Business License	32,751	32,751	(0)	32,751	32,751	(0)
-Local Franchise	0	0	0	0	0	0
-Payroll Taxes	330,598	330,598	(0)	330,598	330,598	(0)
-Other	0	0	0	0	0	0
Total General Taxes	1,741,392	1,516,997	224,395	1,741,392	1,516,997	224,395
Depreciation and Amortization	7,217,564	6,569,406	648,158	7,217,564	6,569,406	648,158
CSS Prorated Expenses:						
-Depreciation & Amortization	1,183,488	903,489	279,999	1,183,488	903,489	279,999
-O&M and A&G Prorated Expense	7,457,429	4,200,351	3,257,078	7,457,429	4,200,351	3,257,078
-General Taxes Prorated Expense	419,668	232,145	187,523	419,668	232,145	187,523
Total CSS Prorated Expenses	9,060,584	5,335,985	3,724,599	9,060,584	5,335,985	3,724,599
Total Op. Exp. Before Income Taxes	32,681,024	25,790,322	6,890,702	32,731,910	25,785,523	6,946,387
Total Income Taxes	(719,240)	1,685,336	(2,404,576)	1,765,250	1,451,019	314,231
Total Operating Expenses	31,961,784	27,475,657	4,486,126	34,497,160	27,236,541	7,260,618
Net Operating Revenue	4,201,841	9,073,980	(4,872,139)	10,595,729	8,470,961	2,124,768
Depreciated Rate Base	\$ 142,033,897	\$ 113,551,755	\$ 28,482,142	\$ 142,033,897	\$ 113,551,755	\$ 28,482,142
Rate of Return	2.96%	7.99%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

171-SVR

171 - Salinas Valley Region (SVR)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	44,949,589	45,365,525	(415,936)	55,051,571	43,720,160	11,331,411
-Increase				10,101,982	(1,645,365)	
-Increase (%)				22.5%	-3.6%	
Operating Expenses:						
-Purchased Water	0	0	0	0	0	0
-Pump Tax	53,650	53,650	0	53,650	53,650	0
-Purchased Power	2,291,042	2,323,336	(32,294)	2,291,042	2,323,336	(32,294)
-Purchased Chemicals	279,334	252,951	26,383	279,334	252,951	26,383
-Payroll	5,927,069	5,927,069	(0)	5,927,069	5,927,069	(0)
-Uncollectibles	141,719	103,330	38,389	177,373	97,523	79,850
-Conservation	991,355	447,180	544,175	991,355	447,180	544,175
-Other Operation and Maintenance	4,497,288	3,888,006	609,282	4,497,288	3,888,006	609,282
-Benefits	1,329,365	1,214,933	114,432	1,329,365	1,214,933	114,432
-Other Administrative and General	248,797	194,095	54,704	248,797	194,095	54,704
Total O&M and A&G	15,759,619	14,404,549	1,355,071	15,795,273	14,398,742	1,396,532
Taxes Other Than Income:						
-Ad Valorem	1,881,521	1,522,051	359,470	1,881,521	1,522,051	359,470
-Business License	1,093,158	1,103,181	(10,023)	1,339,737	1,063,020	276,717
-Local Franchise	173,508	175,314	(1,806)	212,153	169,020	43,133
-Payroll Taxes	342,639	342,639	0	342,639	342,639	0
-Other	0	0	0	0	0	0
Total General Taxes	3,490,826	3,143,187	347,641	3,776,051	3,096,731	679,321
Depreciation and Amortization	8,018,091	6,961,946	1,056,145	8,018,091	6,961,946	1,056,145
CSS Prorated Expenses:						
-Depreciation & Amortization	1,233,741	934,216	299,525	1,233,741	934,216	299,525
-O&M and A&G Prorated Expense	7,774,089	4,343,202	3,430,887	7,774,089	4,343,202	3,430,887
-General Taxes Prorated Expense	437,488	240,040	197,448	437,488	240,040	197,448
Total CSS Prorated Expenses	9,445,319	5,517,458	3,927,861	9,445,319	5,517,458	3,927,861
Total Op. Exp. Before Income Taxes	36,713,855	30,027,140	6,686,715	37,034,733	29,974,877	7,059,856
Total Income Taxes	486,983	3,145,454	(2,658,471)	3,224,088	2,699,647	524,441
Total Operating Expenses	37,200,838	33,172,595	4,028,244	40,258,822	32,674,524	7,584,298
Net Operating Revenue	7,748,751	12,192,930	(4,444,179)	14,792,750	11,045,636	3,747,114
Depreciated Rate Base	\$ 198,294,232	\$ 148,064,820	\$ 50,229,412	\$ 198,294,232	\$ 148,064,820	\$ 50,229,412
Rate of Return	3.91%	8.23%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

997-SBR

997 - South Bay Region (SBR)

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	117,053,637	118,170,838	(1,117,201)	124,718,179	107,661,762	17,056,417
-Increase				7,664,542	(10,509,076)	
-Increase (%)				6.5%	-8.9%	
Operating Expenses:						
-Purchased Water	48,409,852	49,294,429	(884,577)	48,409,852	49,294,429	(884,577)
-Pump Tax	4,456,471	4,456,470	1	4,456,471	4,456,470	1
-Purchased Power	1,899,731	1,475,738	423,993	1,899,731	1,475,738	423,993
-Purchased Chemicals	502,504	(164,382)	666,886	502,504	(164,382)	666,886
-Payroll	6,507,738	6,508,051	(313)	6,507,738	6,508,051	(313)
-Uncollectibles	278,708	194,313	84,395	297,161	169,011	128,150
-Conservation	2,604,241	924,722	1,679,519	2,604,241	924,722	1,679,519
-Other Operation and Maintenance	5,459,326	4,649,435	809,891	5,459,326	4,649,435	809,891
-Benefits	1,461,533	1,335,667	125,866	1,461,533	1,335,667	125,866
-Other Administrative and General	(626,425)	(646,203)	19,778	(626,425)	(646,203)	19,778
Total O&M and A&G	70,953,678	68,028,241	2,925,438	70,972,131	68,002,940	2,969,193
Taxes Other Than Income:						
-Ad Valorem	2,765,757	2,337,006	428,751	2,765,757	2,337,006	428,751
-Business License	25,756	25,756	0	25,756	25,756	0
-Local Franchise	78,126	78,928	(802)	83,248	71,906	11,342
-Payroll Taxes	489,209	489,375	(166)	489,209	489,375	(166)
-Other	0	0	0	0	0	0
Total General Taxes	3,358,849	2,931,066	427,784	3,363,970	2,924,043	439,927
Depreciation and Amortization	9,420,216	8,347,922	1,072,294	9,420,216	8,347,922	1,072,294
CSS Prorated Expenses:						
-Depreciation & Amortization	2,264,065	1,733,442	530,623	2,264,065	1,733,442	530,623
-O&M and A&G Prorated Expense	14,266,393	8,058,833	6,207,560	14,266,393	8,058,833	6,207,560
-General Taxes Prorated Expense	802,843	445,396	357,447	802,843	445,396	357,447
Total CSS Prorated Expenses	17,333,301	10,237,671	7,095,630	17,333,301	10,237,671	7,095,630
Total Op. Exp. Before Income Taxes	101,066,044	89,544,901	11,521,143	101,089,619	89,512,577	11,577,042
Total Income Taxes	1,620,288	6,345,286	(4,724,998)	3,758,506	3,413,514	344,992
Total Operating Expenses	102,686,332	95,890,187	6,796,145	104,848,125	92,926,090	11,922,034
Net Operating Revenue	14,367,305	22,280,651	(7,913,346)	19,870,054	14,735,672	5,134,382
Depreciated Rate Base	\$ 266,354,618	\$ 197,529,110	\$ 68,825,508	\$ 266,354,618	\$ 197,529,110	\$ 68,825,508
Rate of Return	5.39%	11.28%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore

Annual SOE¹
At Present and Proposed Rates

991-NW2 (Prop Consolidation)

991 - DIX-LIV (NW2) Proposed Consolidation District

Description	2026 Present Rates			2026 Proposed Rates		
	CWS	Cal Advocates	CWS-Cal Advocates	CWS	Cal Advocates	CWS-Cal Advocates
Operating Revenues	35,501,730	36,007,486	(505,756)	43,480,581	36,258,022	7,222,559
-Increase				7,978,851	250,536	
-Increase (%)				22.5%	0.7%	
Operating Expenses:						
-Purchased Water	11,421,344	11,599,599	(178,255)	11,421,344	11,599,599	(178,255)
-Pump Tax	0	0	0	0	0	0
-Purchased Power	1,122,593	765,548	357,045	1,122,593	765,548	357,045
-Purchased Chemicals	168,151	(29,625)	197,776	168,151	(29,625)	197,776
-Payroll	2,528,118	2,528,118	(0)	2,528,118	2,528,118	(0)
-Uncollectibles	27,549	29,468	(1,919)	37,646	31,506	6,140
-Conservation	767,520	350,725	416,795	767,520	350,725	416,795
-Other Operation and Maintenance	2,606,793	2,265,385	341,408	2,606,793	2,265,385	341,408
-Benefits	562,351	514,236	48,115	562,351	514,236	48,115
-Other Administrative and General	(59,594)	(49,897)	(9,697)	(59,594)	(49,897)	(9,697)
Total O&M and A&G	19,144,825	17,973,556	1,171,268	19,154,921	17,975,595	1,179,326
Taxes Other Than Income:						
-Ad Valorem	1,331,166	1,104,174	226,992	1,331,166	1,104,174	226,992
-Business License	322,746	327,768	(5,022)	416,969	346,794	70,175
-Local Franchise	0	0	0	0	0	0
-Payroll Taxes	180,244	180,244	0	180,244	180,244	0
-Other	0	0	0	0	0	0
Total General Taxes	1,834,156	1,612,187	221,970	1,928,379	1,631,212	297,167
Depreciation and Amortization	4,731,896	4,089,371	642,525	4,731,896	4,089,371	642,525
CSS Prorated Expenses:						
-Depreciation & Amortization	808,028	614,383	193,645	808,028	614,383	193,645
-O&M and A&G Prorated Expense	5,091,572	2,856,289	2,235,283	5,091,572	2,856,289	2,235,283
-General Taxes Prorated Expense	286,529	157,862	128,667	286,529	157,862	128,667
Total CSS Prorated Expenses	6,186,129	3,628,534	2,557,595	6,186,129	3,628,534	2,557,595
Total Op. Exp. Before Income Taxes	31,897,006	27,303,648	4,593,358	32,001,325	27,324,712	4,676,613
Total Income Taxes	(772,812)	1,003,102	(1,775,914)	1,907,826	1,544,377	363,449
Total Operating Expenses	31,124,194	28,306,750	2,817,444	33,909,151	28,869,089	5,040,062
Net Operating Revenue	4,377,536	7,700,736	(3,323,200)	9,571,430	7,388,933	2,182,497
Depreciated Rate Base	\$ 128,303,351	\$ 99,047,362	\$ 29,255,989	\$ 128,303,351	\$ 99,047,362	\$ 29,255,989
Rate of Return	3.41%	7.77%		7.46%	7.46%	

1. CWS Workpapers files: W_Reports_RO Tables.xlsx for all districts/regions and W_Reports_RO Tables_New Consolidation.xlsx for proposed consolidation Dixon & Livermore