

Docket	:	<u>A.24-07-001</u>
Exhibit Number	:	<u>Cal Adv - #</u>
Commissioner	:	<u>Matthew Baker</u>
Administrative Law Judge	:	<u>Douglas M. Long</u>
Public Advocates Office	:	<u>Syreeta Gibbs</u>
Witness(es)	:	<u>Jawad Baki</u>
		<u>Lauren Cunningham</u>
		<u>Prashanta Adhikari</u>
		<u>Herbert Merida</u>
		<u>Daphne Goldberg</u>



**PUBLIC ADVOCATES OFFICE**  
**CALIFORNIA PUBLIC UTILITIES COMMISSION**

**A.24-07-001**

**Public Advocates Office's Report on Great  
Oaks Water Company's Fiscal Test Year  
2025-2026 General Rate Case Application**

San Francisco, California  
November 12, 2024

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## MEMORANDUM

The Public Advocates Office at the California Public Utilities Commission (Cal Advocates) examined application material, data request responses, and other information presented by Great Oaks Water Company (Great Oaks) in Application (A.) 24-07-001 to provide the California Public Utilities Commission (Commission) with recommendations in the interests of ratepayers for safe and reliable service at the lowest cost. Jawad Baki is Cal Advocates project lead for this proceeding. Syreeta Gibbs is the oversight supervisor, and Catherine Rucker is legal counsel.

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

Chapter #	Description	Witness
1	Executive Summary	Baki
2	Results of Operation Model	Adhikari
3	Revenue	Merida
4	Operation and Maintenance Expenses	Cunningham
5	Administrative & General Expenses	Cunningham
6	Salaries & Wages	Cunningham
7	Non-Tariffed Products and Services	Cunningham
8	Income Taxes	Adhikari

9	Taxes Other Than Income	Adhikari
10	Plant	Goldberg
11	Water Quality	Goldberg
12	Rate Base	Adhikari
13	Conservation	Merida
14	Rate Design	Merida
15	Balancing and Memorandum Accounts	Baki

1

1 **CHAPTER 1 EXECUTIVE SUMMARY**

2 **I. INTRODUCTION**

3 Great Oaks filed its General Rate Case (GRC) Application in July 2024.<sup>1</sup> The  
4 application seeks an increase in customer rates beginning in Test-Year 25/26. The  
5 application and its supporting testimonies also made various requests about Balancing  
6 and Memorandum Accounts.<sup>2</sup>

7 Cal Advocates reviewed the Application, issued data requests, and met with  
8 representatives from Great Oaks to provide the Commission with recommendations that  
9 are just and reasonable for ratepayers.

10 The table below summarizes the differences between Great Oaks’ requests in the  
11 Application and what the Commission should adopt:

12  
13 **Table 1-1: Comparison of Great Oaks' Revenue at Present Rates and**  
14 **Proposed Rates Vs Cal Advocates’ Rates<sup>3</sup>**

Fiscal Year	Great Oaks			Cal Advocates		
	Revenues at Present Rates	Revenues at Proposed Rates	Percent Change	Revenues at Present Rates	Revenues at Proposed Rates	Percent Change
2025/2026	\$26,829,983	\$28,396,390	5.84%	\$28,066,469	\$22,355,541	-20.35%
2026/2027	\$28,396,390	\$30,548,852	7.58%	\$22,355,541	\$24,073,347	7.68%
2027/2028	\$30,548,852	\$32,975,701	7.94%	\$24,073,347	\$26,067,811	8.28%

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<sup>1</sup> A.24-07-001, Application of Great Oaks to Increase Rates for Water Service (July 1, 2024) (Application).

<sup>2</sup> None of these requests are identified as special requests.

<sup>3</sup> Great Oaks’ proposals from Updated Exhibit E – GRC Workpapers – 2024, tab “WP1 - Summary of Earnings” (August 29, 2024). Also see Attachment 36, RO Model Tables.

1 **II. SUMMARY OF RECOMMENDATIONS**

2 As per the scoping memo directive Cal Advocates’ witnesses used the same titles  
3 for all items as used by Great Oaks in its testimony.<sup>4</sup> For additional reference, in the  
4 introduction of each chapter of this report, Cal Advocates' witnesses clearly indicate  
5 where in Great Oaks' testimony, Exhibits, or Workpapers particular issues have been  
6 addressed as Cal Advocates’ testimonies are provided with a different sequential format  
7 for the reasons specified below

- 8 • Great Oaks did not provide separate testimony for its Result of Operations  
9 (RO).
- 10 • Great Oaks only addressed Income Taxes and Taxes other than Income in  
11 its Workpapers and not in its testimony.
- 12 • Great Oaks' request for its proposed Lower Levin Circulation Tank project  
13 is not aligned with Great Oaks' application, Exhibit G.<sup>5</sup>
- 14 • Great Oaks addressed its Balancing and Memorandum Accounts (BAMAs)  
15 in multiple documents, including its application, as well as Exhibit G, and  
16 Exhibit D- Chapter 5.

17 **A. RESULTS OF OPERATION MODEL**

- 18 • The Commission should require Great Oaks to report its revenue at present  
19 rates for Test Years. The overall GRC increase requires a comparison  
20 between revenues at present rates and revenue at proposed rates.
- 21 • The Commission should require Great Oaks to escalate rate base items in  
22 attrition year 2027/2028 by the difference between Test Year 2025/2026  
23 and Test Year 2026/2027 rate base items.

24

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<sup>4</sup> A.24-07-001, Scoping Memo, Page 6, Section ‘Testimony and Briefs’

<sup>5</sup> Great Oaks initially included the project in its Construction Work in Progress, however, in its 45-day update, Great Oaks included the project as a Plant item.

1           **B.     REVENUES**

2           For TY 2025/2026, the Commission should:

- 3           • Adopt Cal Advocates’ projected average number of customers of 21,456.
- 4           • Adopt the water sales per customer forecast that is based on a five-year
- 5           average of historical amounts for all customer classes.
- 6           • Adopt the revenue forecast resulting from Cal Advocates’ recommended
- 7           customer growth and sales forecasts.

9           **C.     OPERATION AND MAINTENANCE EXPENSES**

10          The Commission should:

- 11          • Establish Groundwater Charges consistent with the most recent recorded
- 12          2023/2024 well zone data;
- 13          • Utilize the most recent historical five-year average to determine power-per-
- 14          acre foot rate forecast; and
- 15          • Utilize the most recent historical five-year average to forecast Customer
- 16          Records and Collections, and the Credit Card Pilot Program costs.

17          Table 1-2 below compares Great Oaks’ proposed and Cal Advocates’  
18 recommended budgets for O&M expenses.

19          **Table 1-2: Summary of Differences in Great Oaks’ and Cal Advocates’ Test Year**  
20                           **2025/2026 O&M Expense Estimates**

<b>Expense Category</b>	<b>Great Oaks<sup>6</sup></b>	<b>Cal Advocates</b>	<b>Difference</b>
Groundwater	\$16,788,356	\$10,826,526	(\$5,961,830)
Purchased Power	\$1,271,259	\$1,246,871	(\$24,388)
Customer Collection and Expenses	\$252,068	\$276,590	\$24,522
<b>Total</b>	<b>\$18,311,684</b>	<b>\$12,349,987</b>	<b>(\$5,961,697)</b>

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22  
  

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<sup>6</sup> Updated Exhibit E – GRC Workpapers – 2024, tab “WP4 – O&M Expense” (August 29, 2024).



1 **D. ADMINISTRATIVE AND GENERAL EXPENSES**

2 The Commission should:

- 3 • Utilize the most recent historical five-year average to forecast Outside
- 4 Services;
- 5 • Adopt Great Oaks’ Outside Services forecasts, which utilize the average
- 6 change of historical Conservation costs; and
- 7 • Approve the new Defined Contribution Plan.

8 For the other remaining expense categories, the Commission should adopt Great  
9 Oaks’ forecast because they are reasonable. Any additional differences in estimates are  
10 due solely to Cal Advocates’ adjustments to Great Oaks’ sales forecast. Table 1-3 below  
11 compares Great Oaks’ proposed and Cal Advocates’ recommended budgets for A&G  
12 expenses.

13 **Table 1-3: Summary of Differences in Great Oaks’ and Cal Advocates’ Test Year**  
14 **2025/2026 A&G Expense Estimates**

Expense Category	Great Oaks <sup>7</sup>	Cal Advocates	Difference
Outside Services	\$458,739	\$453,778	(\$4,961)

15  
16 **E. SALARIES AND WAGES**

17 The Commission should:

- 18 • Not oppose an additional Field Service Technician position;
- 19 • Base the Salaries & Wages forecast on recorded data;

20 **Table 1-4: Summary of Differences in Great Oaks’ and Cal Advocates’ Test Year**  
21 **2025/2026 Salaries and Wages Expense Estimates**

Expense Category	Great Oaks <sup>8</sup>	Cal Advocates	Difference
Salaries and Wages	\$3,484,763	\$3,001,399	(\$483,364)

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<sup>7</sup> Updated Exhibit E – GRC Workpapers, Tab “WP6 – A&G Expense” (August 29, 2024).

<sup>8</sup> Updated Exhibit E – GRC Workpapers, Tab “WP10 – Employees & Salaries” (August 29, 2024).

1           **F.     NON-TARIFFED PRODUCTS AND SERVICES**

2           Great Oaks’ NTP&S ratepayer revenue forecast calculation methodology is  
3 inconsistent with the Commission’s NTP&S rules in D.11-01-034 and underestimates the  
4 revenue owed to ratepayers. As a remedy, the Commission should allocate \$103,600 in  
5 annual NTP&S revenue to Great Oaks ratepayers in Test Year 2025/2026.

6  
7           **G.     INCOME TAXES**

8           The Commission should deduct the approved 2024/2025 CCFT amount of  
9 \$138,300 when calculating Test Year 2025/2026 Federally Taxable Income.

10  
11           **H.     TAXES OTHER THAN INCOME**

12           The Commission should adopt Cal Advocates’ projected taxes other than income  
13 contained in Table 5-1 of Cal Advocates’ RO Model.

14  
15           **I.     PLANT**

16           The Commission should:

- 17           • Order Great Oaks to produce a Comprehensive Asset Management Plan  
18           that meets the current industry best practices within six months of the final  
19           decision in this General Rate Case through an Informational-Only Advice  
20           Letter;
- 21           • Adopt Great Oaks’ completed project costs in the amount of \$2,481,877<sup>2</sup> in  
22           the Test Year 2025/2026;
- 23           • Find Great Oaks’ completed projects are used and useful and provide  
24           service to ratepayers;

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<sup>2</sup> The total amount of \$2,481,877 includes \$1,939,552 of costs for Well 24A, B, C electrical work for chlorination; Well 24B and Well 24C drilling projects, Well 16 redevelopment, and Well 22 motor replacement, in addition to \$542,325 for the Exterior coating of tanks project. For well projects, refer to Attachment 34: Great Oaks response to Public Advocates Office data request DG-008, Q.1. (July 15, 2024). For exterior coating of tanks, refer to Application Exhibit G (July 1, 2024) and Great Oaks 45-day Application update (August 29, 2024) at 4-5.

- 1 • Deny Great Oaks’ proposed budget of \$24,000<sup>10</sup> in the Test Year  
2 2025/2026 to complete the Lower Levin Tank Water Circulation Project;
- 3 • Adopt Cal Advocates’ recommended plant budgets of \$2,003,752<sup>11</sup> in the  
4 Test Year 2025/2026 and \$1,444,453<sup>12</sup> in 2026/2027;
- 5 • Not authorize Great Oaks’ request for a new Backup Battery System  
6 memorandum account to track expenses associated with the project; and
- 7 • Find Great Oaks compliant with the Commission’s 2023 decision where  
8 Great Oaks agreed to use a term of 30-years as the depreciation factor for  
9 its meters and meter installations.<sup>13</sup>

## 11 J. WATER QUALITY

12 The Commission should authorize Great Oaks’ request for its water quality  
13 monitoring compliance budget in the amount of \$190,010 in the Test Year 2025/2026 and  
14 \$97,650 for 2026/2027.<sup>14</sup> This budget is for water quality sampling and testing that is  
15 required by the U.S. EPA and the State Water Resources Control Board.

16 The Commission should also find that Great Oaks met all the applicable water  
17 quality standards and regulations between 2021 and 2023.

## 19 K. RATE BASE

- 20 • The Commission should adopt deferred tax deductions of \$2,203,872 in  
21 Test Year 2025/2026 and \$2,138,071 from Great Oaks’s rate base in Test  
22 Year 2026/2027.

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<sup>10</sup> Application, 45-day update, Updated Exhibit E workpapers, tab WP18, Cell K35 (August 29, 2024).

<sup>11</sup> Application, 45-day update, Updated Exhibit E workpapers, tab WP20, Cell K24 (August 29, 2024).

<sup>12</sup> Application, 45-day update, Updated Exhibit E workpapers, tab WP20, Cell L24 (August 29, 2024).

<sup>13</sup> D.23-04-004, *Decision Adopting Partial Settlement Agreement, Resolving Remainder of Disputed Issues and Authorizing Great Oaks’ General Rate Increases for 2022-2024* (Apr. 11, 2023) at 17-18.

<sup>14</sup> Application, Exhibit D, Results of Operations Report, Ch. 3 (July 1, 2024) at 5.

- The Commission should require Great Oaks to use the detailed calculation of working cash allowance in its rate base.

**L. CONSERVATION**

The Commission should authorize \$127,039 for Great Oaks’ conservation and WaterSmart Program budget for TY 2025/2026, based on the average change of historical cost amounts instead of Great Oaks’ proposed budget amount of \$132,000.<sup>15</sup> See Table 1-5, below:

**Table 1-5: Comparison of TY WaterSmart Budgets**

<b>Test Year</b>	<b>Cal Adv Recommended</b>	<b>Great Oaks Requested<sup>16</sup></b>	<b>Cal Adv &gt; Great Oaks</b>
2025/2026	\$127,039	\$132,000	(\$4,961)

**M. RATE DESIGN**

The Commission should adopt the following recommendations concerning rate design and the CAP program:

- The ratio of recovering 100% fixed costs from meter charges so that meter charges are 41% of Revenue Requirement and Quantity Charges are 59%; and
- The meter service charge amounts recommended in Table 14-2; and
- The recommended bi-monthly tier breakpoints for residential customers in Table 14-3; and
- The quantity charge per Tier as detailed in Table 14-10; and

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<sup>15</sup> Exhibit D - CHAPTER 9 Conservation and Efficiency (4124588.1), Chapter 9-2 (July 1, 2024)

<sup>16</sup> Exhibit D - CHAPTER 9 Conservation and Efficiency (4124588.1), Chapter 9-2 (July 1, 2024)

- The CAP credit/discount and surcharge which are based on Cal Advocates' revenue neutral proposed rate design.

**N. BALANCING AND MEMORANDUM ACCOUNTS**

In this GRC Application, Great Oaks requests to continue 15 of its 18 BAMAs, close three BAMAs, and establish one new memorandum account. The Commission should not authorize Great Oaks to establish a new memorandum account. The Commission should also require Great Oaks to close five BAMAs and continue 13 BAMAs.

- The Commission should require Great Oaks to refund the \$714,012<sup>17</sup> overcollection for the 2021 GRC Interim Rates Memorandum Account (2021 IRMA), as of July 1, 2024, close the account, and remove its reference from the Preliminary Statement.
- The Commission should require Great Oaks to close the School Lead Testing Memorandum Account (SLTMA).
- The Commission should allow Great Oaks to recover \$1,200,458<sup>18</sup> under-collection for the Pension Expense Balancing Account (PEBA), as of July 1, 2024, close this account, and remove its reference from the preliminary statement.
- The Commission should allow Great Oaks to recover \$51,622<sup>19</sup> under-collection as of July 1, 2024, close the Supplier Diversity Program Expense Memorandum Account (SDPEMA), and remove its reference from the preliminary statement.

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<sup>17</sup> A.24-07-001, Great Oaks' Response to Cal Advocates' DR JBQ 006, Q.1, Attachment 1, Cell BAMAs, Tab G19 (08/01/2024).

<sup>18</sup> A.24-07-001, Great Oaks' Response to Cal Advocates' DR JBQ 006, Q.1, Attachment 1, Cell BAMAs, Tab G9 (08/01/2024).

<sup>19</sup> A.24-07-001, Great Oaks' Response to Cal Advocates' DR JBQ 006, Q.1, Attachment 1, Cell BAMAs, Tab G18 (08/01/2024).

- 1           • The Commission should deny Great Oaks's request to establish a Battery  
2           Energy Storage System Memorandum Account.
- 3           • The Commission should allow Great Oaks to close its COVID-19  
4           Catastrophic Event Memorandum Account (CEMA) as requested and  
5           remove its reference from the Preliminary Statement.
- 6           • The Commission should require Great Oaks to remove all references from  
7           its preliminary statement of five previously closed BAMAs confirmed in  
8           response to Cal Advocates Data Request.

1 **CHAPTER 2 RESULTS OF OPERATION MODEL**

2 **I. INTRODUCTION**

3 This chapter presents Cal Advocates’ analysis and recommendations for Great  
4 Oaks’ Results of Operation (RO) Model. While not specifically addressed by Great Oaks  
5 in its testimony, the RO Model is found in Great Oak’s Exhibit E, Workpapers. Great  
6 Oaks’ RO Model is an excel file containing workpapers with calculations of all parts of  
7 its Application and requests. Cal Advocates’ RO Model recommendations for Test Year  
8 2025/2026 are based on analysis of Great Oaks’s Application, testimony, workpapers,  
9 and responses to Cal Advocates’ discovery.

10 **II. SUMMARY OF RECOMMENDATIONS**

- 11 • The Commission should require Great Oaks to report its revenue at present  
12 rates in future GRC proceedings for Test Years because the overall GRC  
13 increase should be calculated as the difference revenues at present rates and  
14 revenue at proposed rates.
- 15 • The Commission should require Great Oaks to escalate rate base items in the  
16 attrition year 2027/2028 by the difference between Test Year 2025/2026 and  
17 Test Year 2026/2027 rate base items.

18 **III. ANALYSIS**

19 **A. Revenues at Present Rates**

20 The Commission should require Great Oaks to report its revenue at present  
21 rates for Test Years and base GRC increase requests on revenues at present rates in future  
22 GRC proceedings. Great Oaks bases its revenue increase request in its Application on  
23 comparing proposed revenues to adopted 2024/2025 revenues from Advice Letter 325.<sup>20</sup>  
24 This method is incorrect, because it will lead to an incorrect comparison of how rates are  
25 increasing.

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<sup>20</sup> Application (July 1, 2024) at 4; Advice Letter 325 (May 17, 2024).

1 Comparing present rate revenues to proposed Test Year rate revenues is a “like-  
2 for-like” comparison that will have the same projected expenses, number of customers,  
3 usage, etc. but have different rates to generate revenues that match the rate of return. In  
4 contrast, Great Oak’s comparison of previous year adopted rates to Test Year proposed  
5 rates is incorrect because the different years have different expenses, customers, usage,  
6 etc. Therefore, the percentage change will be based on a multitude of factors and  
7 obfuscate the increases in rates.

8 Upon receiving a data request, Great Oaks provided a revenue at present rates  
9 calculation of \$26,965,372 for Test Year 2025/2026.<sup>21</sup> However, this calculation was not  
10 correct and did not use Great Oaks’s requests from its GRC application and RO Model.  
11 By incorporating Great Oaks’ RO model into the format provided by Great Oaks in the  
12 Data Request response, Cal Advocates calculated revenues at present rates proposal for  
13 Great Oaks of \$26,829,983.

14 Great Oaks uses the previous year’s adopted revenues, to propose an increase of 5.99% in  
15 its updated application.<sup>22</sup> However, calculating revenues at present rates, the proposed  
16 change in rates becomes 5.84%, as shown in the table below.<sup>23</sup> Based on changes to  
17 customer counts, and final Test Year 2025/2026 revenues, the final change in rates will  
18 change to the number in Cal Advocates’ RO Model table 1-1.<sup>24</sup> The Commission should  
19 require Great Oaks to report its revenue at present rates for the two Test Years and base  
20 the GRC increase requests on revenues at present rates.

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<sup>21</sup> Attachment 10: Great Oaks’ Water Company Response to DR PAD-004 (June 18, 2024).

<sup>22</sup> Updated Application (August 29, 2024) at 3.

<sup>23</sup> Attachment 10: Calculation of Present Rates, based on Great Oaks’ Water Company Response to DR PAD-004

<sup>24</sup> Attachment 36: Summary and Tables of Cal Advocates’ Results of Operation Model (RO Model Tables)



1 **Table 2-1: Great Oaks and Cal Advocates’ Revenue Increases Calculations<sup>25</sup>**

	Revenue at Present Rates	2024/2025 Revenue	Test Year Revenue	Increase %
Great Oaks		\$26,790,322	\$28,396,390	5.99%
Cal Advocates	\$26,829,983		\$28,396,390	5.84%

2

3 **B. 2027/2028 rate base**

4 The Commission should require Great Oaks to escalate rate base items in attrition  
 5 year 2027/2028 by the difference between Test Year 2025/2026 and Test Year 2026/2027  
 6 rate base items. Per the Rate Case Plan, there are two test years for the rate base and one  
 7 attrition year.<sup>26</sup> Additionally, for rate base, the attrition year is calculated by adding the  
 8 difference between the two test years to the second test year. Applying the proper  
 9 escalation method will result in a 2027/2028 rate base of \$20,296,284 instead of  
 10 \$20,300,341 as Great Oaks proposes.<sup>27</sup>

11 **IV. CONCLUSION**

12 The Commission should adopt Cal Advocates’ recommendations on the RO Model.

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<sup>25</sup> Great Oaks’ proposals from Updated Exhibit E – GRC Workpapers – 2024, tab “WP1 - Summary of Earnings” (August 29, 2024).

<sup>26</sup> D.04-06-018, *Interim Order Adopting Rate Case Plan* [for Class A Water Companies], (June 17, 2004) at 10-13.

<sup>27</sup> Exhibit E – GRC Workpapers – 2024, tab “WP1 - Summary of Earnings” Cell M37 (August 29, 2024).

1 **CHAPTER 3 REVENUES**

2 **I. INTRODUCTION**

3 This chapter presents analysis and recommendations on Great Oaks’ average  
4 number of customers, water sales per customer, operating revenues, and other revenues at  
5 present rates for Test Year (TY) 2025/2026. Great Oaks’ Revenue Requirement Report,  
6 supporting workpapers, 45-Day updated workpapers, data request responses, and  
7 methods of estimating water consumption, and operating revenues were reviewed. Great  
8 Oaks addresses these issues in Exhibit D, chapter 4, Water Sales Forecast.

9 **II. SUMMARY OF RECOMMENDATIONS**

10 For TY 2025/2026, the Commission should:

- 11 • Adopt Cal Advocates’ projected average number of customers of 21,456.
- 12 • Adopt the water sales per customer forecast that is based on a five-year  
13 average of historical amounts for all customer classes.
- 14 • Adopt the revenue forecast resulting from Cal Advocates’ recommended  
15 customer growth and sales forecasts.

16 **III. ANALYSIS**

17 An accurate forecast of customers and water consumption is required to  
18 determine revenues at present rates and to design reasonable water rates for TY  
19 2025/2026 with revenue neutrality.<sup>28</sup> The revenue requirement comprises total  
20 estimated expenses, including tax, and a reasonable return on rate base. Comparing the  
21 revenue at present rates with the revenue requirement yields the overall change in  
22 average system rates.

23 Pursuant to the Decision (D).07-05-062 Rate Case Plan (RCP), utilities are  
24 required to forecast customer growth using a five-year average of the change in the

---

<sup>28</sup> Revenue neutral rate design is achieved when the utility collects the same amount of revenue with multiple quantity rates as it would collect under a single quantity rate, as indicated in the sales forecast.

1 number of customers by customer class.<sup>29</sup> A utility may adjust the five-year average if an  
2 unusual event occurs or is expected to occur. Examples of “unusual events” would be the  
3 implementation or removal of a limitation on the number of customers.<sup>30</sup>

4 Further, in general rate cases, a utility must calculate consumption by using  
5 multiple regression to forecast per-customer usage for the residential and commercial  
6 customer classes that are based on the “New Committee Method.”<sup>31</sup> This method relies  
7 on “Standard Practice No. U-2” and “Supplement to Standard Practice No. U-25.”<sup>32</sup>

8 Because the estimated number of customers and consumption are the basis for  
9 revenue forecasts, this report’s present rate revenue amount is higher than Great Oaks’.

10 **A. Average Number of Customers**

11 The Commission should adopt Cal Advocates’ average number of water service  
12 customers for the Test Years, as presented in Table 3-1 below.

13 **Table 3-1: Projected Average Number of Total Customers**

<b>Test Year</b>	<b>Cal Adv Recommended</b>	<b>Great Oaks Requested<sup>33</sup></b>	<b>Cal Adv &gt; Great Oaks</b>
2025/2026	21,456	21,443	13
2026/2027	21,473	21,461	12
2027/2028	21,491	21,479	12

14 Great Oaks’ service areas consist of various customer classes, including  
15 residential, business, and industrial properties. Residential customers generate most of  
16 Great Oaks’ revenue since they comprise 96% of Great Oaks’ total customers, as shown  
17 in Figure 3-1:

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<sup>29</sup> Decision (D.)07-05-062, *Rate Case Plan and Minimum Data Requirements for Class A Water Utilities General Rate Applications* (Rate Case Plan), Appendix A (May 30, 2007) at A-20.

<sup>30</sup> Rate Case Plan, Appendix A (May 30, 2007) at A-23.

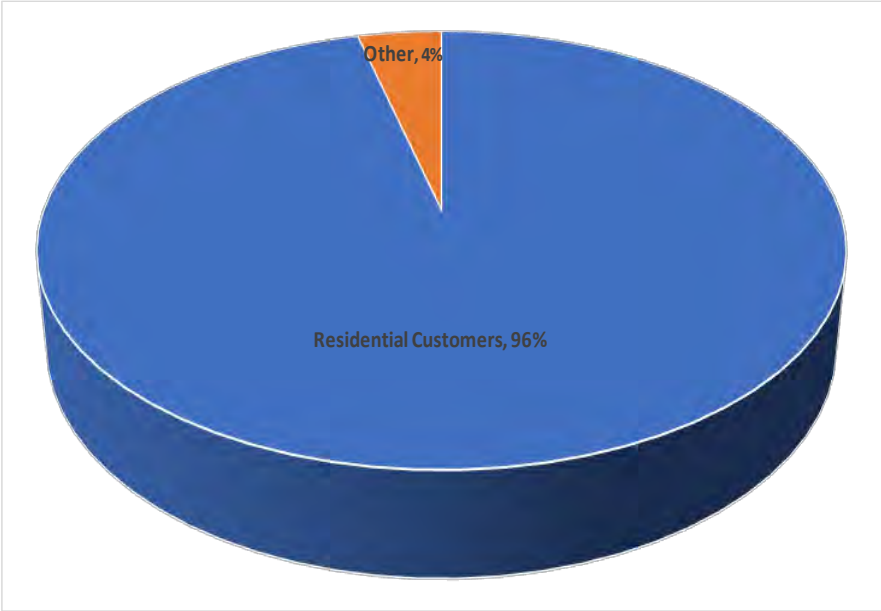
<sup>31</sup> Rate Case Plan, Appendix A (May 30, 2007) at A-26.

<sup>32</sup> Rate Case Plan, Appendix A (May 30, 2007) at A-23, Fn. No. 4.

<sup>33</sup> Great Oaks Water Company GRC Workpapers – 2024, WP11 – Customers, Cell K20.

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**Figure 3-1: Great Oaks Total Customers Breakdown for all Service Areas**

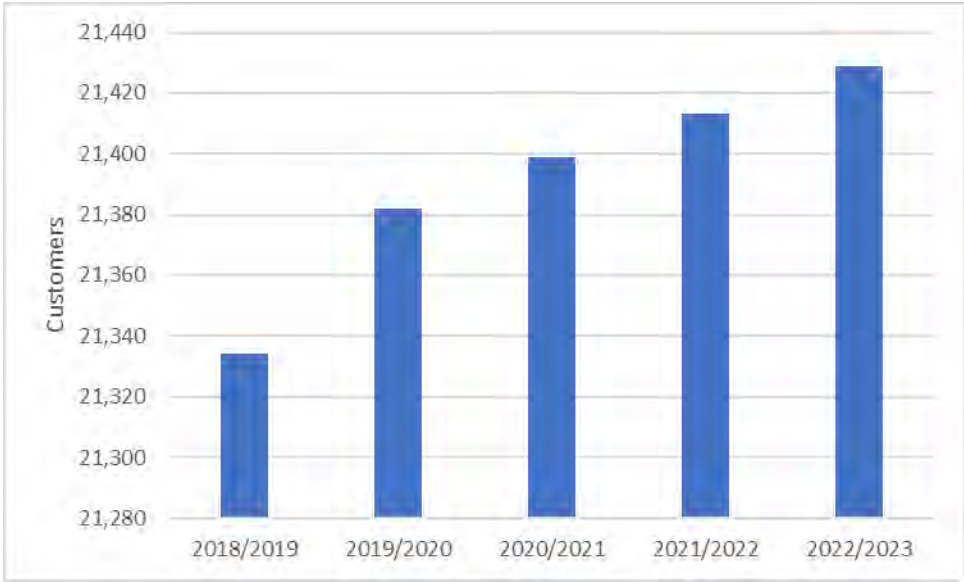


2

3 Historically, Great Oaks’ total customers have slowly but steadily increased at  
4 approximately 0.11% annually. This trend is shown in Figure 3-2:

5

**Figure 3-2: Great Oaks Total Customers for all Service Areas**



6

7 Great Oaks’ customer growth rate is calculated by averaging five years of  
8 previously recorded data unless the service area or customer class was affected by  
9 an “uncommon occurrence.” Examples of an “uncommon occurrence” are the

1 implementation or removal of a limitation on the number of customers.<sup>34</sup> In its  
2 application, Great Oaks did not apply the growth rate to the projected years 2023-  
3 2024 and 2024-2025 (which are based on Great Oaks' estimates).<sup>35</sup> Instead, Great  
4 Oaks only applied the growth rate to Test Year 2025-2026 onward.<sup>36</sup> Using Great  
5 Oaks' updated numbers from its 45-Day update, Cal Advocates applied the growth  
6 rate to the projected year 2024-2025 onward. As a result, Cal Advocates'  
7 recommended customer count is more accurate.

## 8 **B. Water Sales per Customer**

9 The Commission should adopt Cal Advocates' water sales per customer  
10 recommendations in Tables 3-2 and 3-4. These recommendations differ from Great  
11 Oaks's forecast methodology because of the unusual events discussed below.

12 Great Oaks forecasts average sales per service based on the settlement agreement  
13 from the previous GRC.<sup>37 38</sup> The forecasts from the previous GRC were based on an  
14 anticipated reduction in customer sales resulting from previous droughts. Great Oaks'  
15 unit consumption methodology does not include any of the specific sales forecast factors  
16 from Decision (D).20-08-047 (Order Instituting Rulemaking Evaluating the  
17 Commission's 2010 Water Action Plan).<sup>39</sup> Also, Great Oaks's methodology differs from

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<sup>34</sup> Per the Rate Case Plan, a utility may make an adjustment to the five-year customer average if an unusual event occurs or is expected to occur, such as implementation or removal of a limitation on the number of customers. *See* Rate Case Plan Appendix A (May 24, 2007) at A-23.

<sup>35</sup> Great Oaks Water Company GRC Workpapers – 2024, WP11 – Customers, Columns I and J.

<sup>36</sup> Great Oaks Water Company GRC Workpapers – 2024, WP11 – Customers, Column K.

<sup>37</sup> 4. Exhibit D - CHAPTER 4 Water Sales Forecast (July 1, 2024) at 4-11.

<sup>38</sup> D.23-04-004, *Decision Adopting Partial Settlement Agreement, Resolving Remainder of Disputed Issues and Authorizing Great Oaks' General Rate Increases for 2022-2024*, Attachment C: *Corrected Partial Settlement Agreement Between Cal Advocates and Great Oaks* (July 1, 2021) at 4-5.

<sup>39</sup> D.20-08-047, *Decision and Order*, Ordering Paragraph No. 1 (Sept. 3, 2020) at 105-106 (which states: "1. In any future general rate case applications filed after the effective date of this decision, a water utility must discuss how these specific factors impact the sales forecast presented in the application: a) Impact of revenue collection and rate design on sales and revenue collection, b) Impact of planned conservation programs, c) Changes in customer counts, d) Previous and upcoming changes to building codes requiring low flow fixtures and other water-saving measures, as well as any other relevant code changes, e) Local

1 the New Committee Method outlined in the Rate Case Plan. Utilities are only permitted  
2 to use a forecasting method different from the New Committee Method if the method has  
3 been proven to be more accurate.<sup>40</sup>

4 Cal Advocates’ methodology also deviates from the New Committee Method and  
5 is more accurate than Great Oaks’s approach, as described in the next sections.

6

7 **1. Residential**

8 The Commission should adopt Cal Advocates’ recommended residential  
9 unit water consumption levels for the district shown in Table 3-2 because a five-  
10 year average more accurately reflects usage trends based on economic and other  
11 factors.

12 **Table 3-2: Test Year 2025/2026 Residential Unit Consumption in hundred cubic feet (CCF)**

District	Cal Adv Recommended	Cal Adv Methodology	Great Oaks Requested <sup>41</sup>	Great Oaks Methodology <sup>42</sup>	Cal Adv > Great Oaks
Residential	111.2	5-year avg	103.2	Prior Decision	8.0

13

14 The COVID-19 pandemic resulted in an increase in the number of people  
15 working from home. For example, 35% of Californians work remotely all the

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and statewide trends in consumption, demographics, climate population density, and historic trends by ratemaking area; and f) Past Sales Trends.”

<sup>40</sup> D.16-12-026, *Decision Providing Guidance on Water Rate Structure and Tiered Rates*, (Dec. 9, 2016) at 84, Ordering Paragraph Number 2.

<sup>41</sup> Great Oaks Water Company GRC Workpapers – 2024, WP3 - Water Sales CCF, Cells J37, K37 - M37.

<sup>42</sup> D.23-04-004, *Decision Adopting Partial Settlement Agreement, Resolving Remainder of Disputed Issues and Authorizing Great Oaks’ General Rate Increases for 2022-2024*, Attachment C: Corrected Partial Settlement Agreement Between Cal Advocates and Great Oaks (July 1, 2021) at 4-5.

1 time or have a combination of remote work and working at the office.<sup>43 44</sup> As a  
2 result, more people spend time and consume more water in their homes.  
3 Additionally, California just experienced its second consecutive wet rainy  
4 season.<sup>45</sup> As a result, the state stopped asking residents to cut their water use by  
5 15% last year.<sup>46</sup> Even with the State Water Resources Control Board’s (SWCB)  
6 recent adoption of new conservation regulations, Great Oaks has already met the  
7 SWCB goals for 2025 and 2030.<sup>47</sup> Presently, there is no drought in the state, and  
8 the major water supply reservoirs are currently at 116% of their historical average  
9 levels with a projected wet winter that is forecasted.<sup>48 49</sup> The increase in water  
10 usage is evident in the fact that the Estimated Monthly Residential Gallons Per  
11 Capita Day (“R-GPCD”) for Great Oaks, calculated by the SWCB, shows a  
12 general increase in usage of 5% from 2023 to 2024 for the first seven months of  
13 the year.<sup>50</sup>

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<sup>43</sup> Public Policy Institute of California, *Remote Work Is Here to Stay* (Nov. 29, 2023)  
<https://www.ppic.org/blog/remote-work-is-here-to-stay/>, accessed on July 8, 2024.

<sup>44</sup> Public Policy Institute of California, *Remote Work Is Reshaping the California Labor Market*, (June 4, 2024) <https://www.ppic.org/blog/remote-work-is-reshaping-the-california-labor-market/>, accessed on July 8, 2024.

<sup>45</sup> The Washington Post, *Here’s why California is drought-free for a second straight year* (Apr. 12, 2024) <https://www.washingtonpost.com/weather/2024/04/12/california-el-nino-wet-season-climate/>, accessed on July 15, 2024.

<sup>46</sup> Office of Governor Gavin Newsom, *Governor Newsom Eases Drought Restrictions* (Mar. 24, 2023) <https://www.gov.ca.gov/2023/03/24/governor-newsom-eases-drought-restrictions/>, accessed on December 13, 2023.

<sup>47</sup> Los Angeles Times, *California adopts sweeping statewide water conservation framework* (July 3, 2024) <https://www.latimes.com/environment/story/2024-07-03/california-adopts-statewide-water-conservation-framework>, accessed on July 3, 2024.

<sup>48</sup> U.S. Drought Monitor, *California* (July 2, 2024) <https://droughtmonitor.unl.edu/CurrentMap/StateDroughtMonitor.aspx?CA>, accessed on July 2, 2024.

<sup>49</sup> California Data Exchange Center, California Department of Water Resources, *Current Conditions: Major Water Supply Reservoirs* (July 14, 2024), <https://cdec.water.ca.gov/resapp/RescondMain>, accessed on July 14, 2024.

<sup>50</sup> The State Water Resources Control Board, *Supplier Conservation*, [https://www.waterboards.ca.gov/water\\_issues/programs/conservation\\_portal/conservation\\_reporting.html](https://www.waterboards.ca.gov/water_issues/programs/conservation_portal/conservation_reporting.html),

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**Table 3-3: Great Oaks R-GPCD**

<b>Month</b>	<b>2023 R-GPCD</b>	<b>% Change</b>	<b>2024 R-GPCD</b>
January	55	0%	55
February	55	0%	55
March	55	5%	58
April	64	2%	65
May	78	8%	84
June	93	8%	100
July	98	10%	108
<b>AVERAGE</b>		<b>5%</b>	

As a result of the increase of people working from home, the two consecutive wet rainy seasons, Great Oaks meeting its conservation targets, and an increase in water usage from last year, it will not be reasonable for the Commission to adopt a consumption forecast lower than the observed levels over the past five years.

**2. Other Customer Classes**

The Commission should adopt the per-unit consumption methodologies for TY 2025/2026 shown in Table 3-4 below for Great Oaks’ other customer classes. As stated earlier, Great Oaks uses average sales per service based on the settlement agreement from the previous GRC to estimate the multi-family residence, business, industrial, public authority, schools, private landscape, and agriculture service classes.

Cal Advocates recommends a five-year average that captures most of the overall trends for these customer classes, which more accurately represents the unit consumption levels moving forward.

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accessed October 9, 2024.



1

**Table 3-4: Other Classes Unit Consumption Methodology**

<b>Customer Class</b>	<b>Cal Adv Recommended</b>	<b>Great Oaks Requested</b>
Multi-Family Residence	5-year avg	Prior Decision <sup>51</sup>
Business	5-year avg	Prior Decision
Industrial	5-year avg	Prior Decision
Public Authority	5-year avg	Prior Decision
Schools	5-year avg	Prior Decision
Private Landscape	5-year avg	Prior Decision
Agriculture	5-year avg	Prior Decision

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3 **C. Operational Revenues**

4 Great Oaks’ two sources of revenue are operating revenue and other revenues. The  
5 sum of these two revenue resources represents Great Oaks’ total revenue. Great Oaks did  
6 not include revenues at present rates in their Results of Operation Model.<sup>52</sup> The table  
7 below shows a comparison of Cal Advocates’ recommended revenue forecast amounts at  
8 present rates and Great Oaks’ proposed revenues at present rates.

9

**Table 3-5: TY 2025/2026 Operational Revenue Forecasts at Present Rates**

<b>Revenue</b>	<b>Cal Adv Recommended</b>	<b>Great Oaks Requested<sup>53</sup></b>	<b>Cal Adv &gt; Great Oaks</b>
Operating Revenues	\$27,860,811	\$26,624,325	\$1,236,487
Other Revenues	\$205,658	\$205,658	\$0
<b>TOTAL</b>	<b>\$28,066,469</b>	<b>\$26,829,983</b>	<b>\$1,236,487</b>

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<sup>51</sup> D.23-04-004, Decision Adopting Partial Settlement Agreement, Resolving Remainder of Disputed Issues and Authorizing Great Oaks’ General Rate Increases for 2022-2024, Attachment C: Corrected Partial Settlement Agreement Between Cal Advocates and Great Oaks (July 1, 2021) at 4-5.

<sup>52</sup> Further details can be found in Cal Advocates’ witness Prashanta Adhikari’s Testimony, Chapter 4.

<sup>53</sup> Great Oaks’ proposals from Updated Exhibit E – GRC Workpapers – 2024, tab “WP1 - Summary of Earnings” (August 29, 2024)

1                   **1. Operating Revenue**

2                   Great Oaks uses the customer and sales forecasts to calculate the  
3 operational revenues. Cal Advocates’ increased forecasts for operational revenues  
4 reflect the recommended increases in consumption. Operating revenues include  
5 service revenues, from fixed charges, and usage revenues, from variable charges.  
6 The amounts are calculated as follows:

7                   Service Revenues = *Customers Per Meter Size \* Service Charge*

8                   Usage Revenues = *(CCF Usage Per Customer \* Total Customers in that Class) \**  
9    *Quantity Rate*

10                   As a result, the Commission should adopt a service revenue at present rates  
11 of \$7,509,373 and a usage revenue at present rates of \$20,351,438.

12  
13                   **2. Other Revenues**

14                   Other revenues typically include reconnection fees, late fees, and private  
15 fire protection service revenue. Great Oaks is currently forecasting \$205,658 for  
16 TY 2025/2026 for private fire protection service revenues and does not request a  
17 budget for other categories.<sup>54</sup> The Commission should adopt the other revenues  
18 amount of \$205,658.

19                   **IV. CONCLUSION**

20                   For TY 2025/2026, the Commission should:

- 21                   • Adopt Cal Advocates’ projected total customer average of 21,456.  
22                   • Adopt the water sales per customer forecast that is based on a five-year  
23                   average of historical amounts for all customer classes.  
24                   • Adopt the revenue forecast resulting from Cal Advocates’ recommended  
25                   customer growth and sales forecasts.

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<sup>54</sup> Exhibit E GRC Workpapers, tab “WP1 – Summary of Earnings”. Other revenues typically include late and reconnection fees.

1                   **CHAPTER 4 OPERATION AND MAINTENANCE EXPENSES**

2   **I.     INTRODUCTION**

3           Great Oaks addressed these expenses in Exhibit D – Chapter 5 Operating Expenses.  
4   The Commission should adopt a \$12,349,987 Operations and Maintenance (O&M) budget  
5   in Test Year 2025/2026. Some of the expenses in Great Oaks’ forecast are based on  
6   improper assumptions that would result in unnecessary rate increases for ratepayers. The  
7   Commission should reject Great Oaks’ improper assumptions and adopt Cal Advocates’  
8   modifications to the utility’s forecast proposed in this chapter.

9   **II.    SUMMARY OF RECOMMENDATIONS**

10          The Commission should

- 11           • Establish Groundwater Charges consistent with the most recent recorded
- 12           2023/2024 well zone data;
- 13           • Utilize the most recent historical five-year average to determine power-per-
- 14           acre foot rate forecast; and
- 15           • Utilize the most recent historical five-year average to forecast Customer
- 16           Records and Collections, and the Credit Card Pilot Program costs.

17          Table 4-1 below compares Great Oaks’ proposed and Cal Advocates’  
18   recommended budgets for O&M expenses.

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20          **Table 4-1: Summary of Differences in Great Oaks’ and Cal Advocates’ Test Year**  
21                                   **2025/2026 O&M Expense Estimates**

<b>Expense Category</b>	<b>Great Oaks<sup>55</sup></b>	<b>Cal Advocates</b>	<b>Difference</b>
Groundwater	\$16,788,356	\$10,826,526	(\$5,961,830)
Purchased Power	\$1,271,259	\$1,246,871	(\$24,388)
Customer Collection and Expenses	\$252,068	\$276,590	\$24,522
<b>Total</b>	<b>\$18,311,684</b>	<b>\$12,349,987</b>	<b>(\$5,961,697)</b>

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<sup>55</sup> Updated Exhibit E – GRC Workpapers – 2024, tab “WP4 – O&M Expense” (August 29, 2024).

1 **III. ANALYSIS**

2 **A. Groundwater Charges – Account 700**

3 The Commission should adopt a Groundwater Charges budget based on the most  
4 recent recorded well zone data, which reduces Great Oaks’ forecast of \$16,788,356<sup>56</sup> by  
5 \$5,961,830 to \$10,826,526.

6 **1. Well Zone Data**

7 Great Oaks estimates Test Year 2025/2026 groundwater charges by  
8 relying on well zone percentages adopted in Great Oaks’ previous GRC  
9 (Zone W-2 at 56%; Zone W-7 at 44%).<sup>57</sup> These are no longer applicable  
10 since Great Oaks received permission in 2022 to start operating two wells  
11 in Zone W-7,<sup>58</sup> the cheaper of the two production zones, further discussed  
12 in Cal Advocates’ plant witness Daphne Goldberg’s Testimony, Chapter 1.  
13 Comparatively, the most recent recorded 2023/2024 well zone data shows  
14 Zone W-2 production at 17% and Zone W-7 at 83%.<sup>59</sup>

15 Historically, Zone W-2 production has been on a consistent  
16 downward trend, while Zone W-7 production has been on a consistent  
17 upward trend.<sup>60</sup> Therefore, applying the previously adopted ratio ignores  
18 both the most recent data and the steady trends over the past five years.  
19 Not properly accounting for the two newly operating wells while still  
20 relying on well zone percentages established before their construction will  
21 result in inflated groundwater charge forecasts.

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<sup>56</sup> Updated Exhibit E – GRC Workpapers – 2024, tab “WP4 – O&M Expense” (August 29, 2024).

<sup>57</sup> Exhibit D – CHAPTER 5 Operating Expenses (July 1, 2024) at 33.

<sup>58</sup> Exhibit D – CHAPTER 7 Rate Base (July 1, 2024) at 6.

<sup>59</sup> Attachment 11: Great Oaks’ Response to Cal Advocates’ data request LCN-003 (Groundwater Charges), Attachment 1 (July 18, 2024).

<sup>60</sup> Attachment 11: Great Oaks’ Response to Cal Advocates’ data request LCN-003 (Groundwater Charges), Attachment 1 (July 18, 2024).

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**2. Update at Time of Decision**

Santa Clara Valley Water District projects that charges will increase at roughly 10% per year for the next ten years (2024-2033).<sup>61</sup> In the event that a Decision is adopted during Fiscal Year 2025-2026, the Commission should adopt groundwater charges with the appropriate updated rates.

**3. Conclusion**

The Commission should adopt a Test Year 2025/2026 Groundwater Charges budget of \$10,826,526. Any other differences between Great Oaks’ and Cal Advocates’ groundwater charges forecasts are due to differences in customer growth forecasts, further discussed in Cal Advocates’ witness Herbert Merida’s Testimony, Chapter 1.

**B. Purchased Power – Account 726**

The Commission should adopt a Purchased Power budget based on the five-year average of kilowatt-hours (kWh) to acre-feet (AF), which reduces Great Oaks’ forecast of \$1,271,259<sup>62</sup> by \$24,388 to \$1,246,871.<sup>63</sup> Forecast unit costs should also be updated at the time of Decision. Power-per-AF represents the amount of power needed to pump one single acre-foot of water.

Great Oaks estimates Test Year 2025/2026 purchased power charges by relying on the recorded five-year average energy efficiency of 417kWh/AF that was adopted in its

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<sup>61</sup> Valley Water Fiscal Year 2024-25 Protection and Augmentation of Water Supplies (February 2024) at 48.

<sup>62</sup> Updated Exhibit E – GRC Workpapers – 2024, tab “WP4 – O&M Expense” (August 29, 2024).

<sup>63</sup> \$1,271,259 – \$1,246,871 = \$24,388.

1 previous GRC.<sup>64</sup> However, the most recent five-year average<sup>65</sup> yields 410kWh/AF,<sup>66</sup>  
2 which avoids inflated purchased power forecasts. Since recorded kWh-per-AF fluctuates  
3 slightly from year to year and does not have a clear increasing or decreasing trend,  
4 normalizing the most recent five-year average for Test Year 2025/2026 will likely result  
5 in a more accurate estimate for the rate.

6 The Commission should adopt a Test Year 2025/2026 Purchased Power budget of  
7 \$1,246,871. Any other differences between Great Oaks’ and Cal Advocates’  
8 groundwater charges forecasts are due to differences in customer growth forecasts,  
9 further discussed in Cal Advocates’ witness Herbert Merida’s Testimony, Chapter 1.

10 **C. Customer Records and Collections – Account 773**

11 The Commission should adopt a Customer Records and Collections expense based  
12 on the historical five-year average, which increases Great Oaks’ forecast of \$252,068<sup>67</sup>  
13 by \$24,522 to \$276,590. This expense includes transportation clearing, bank charges,  
14 interest, labor, computer software, forms, and postage expenses. Recorded data for the  
15 expense shows it does not have a clear increasing or decreasing trend. Therefore,  
16 normalizing recorded data to forecast Test Year 2025/2026 is reasonable.

17 Cal Advocates derived its forecast by calculating the five-year recorded average of  
18 Customer Records and Collections and then applying the appropriate escalation factor.  
19 Cal Advocates’ reasoning for including the Credit Card Pilot Program costs in this  
20 methodology is discussed in the next section.

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<sup>64</sup> D.23-04-004, *Decision Adopting Partial Settlement Agreement, Resolving Remainder of Disputed Issues and Authorizing Great Oaks General Rate Increases for 2002-2024* (Apr. 11, 2023) at 35.

<sup>65</sup> Updated Exhibit E – GRC Workpapers – 2024, Tab “WP9 – Purchased Power” (August 29, 2024); Great Oaks’ response to Cal Advocates’ data request LCN-007, Q1a (August 5, 2024).

<sup>66</sup>  $((400+405+417+418+409)/5)= 409.8$

<sup>67</sup> Updated Exhibit E – GRC Workpapers – 2024, tab “WP4 – O&M Expense” (August 29, 2024).

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**1. Credit Card Pilot Expense**

The Commission should adopt a Credit Card Pilot expense based on the historical five-year average, which increases Great Oaks’ Credit Card Pilot expense forecast by \$11,821 to \$90,575.<sup>68</sup> The difference between the Credit Card Pilot Program expense in rates and the actual costs incurred in each rate year are tracked in the Credit Card Pilot Program Memorandum Account.<sup>69</sup>

Great Oaks requests to continue the program and forecast costs at \$78,754, derived by escalating the costs approved in the previous GRC.<sup>70</sup> However, recorded program costs for the previous GRC’s Test Year 2022/2023 were \$116,107.76, and the most recent recorded 2023/2024 program costs were \$98,365.95.<sup>71</sup> Since recorded program costs have no clear increasing or decreasing trend, normalizing the most recent five-year average for Test Year 2025/2026 is a more accurate estimate for the rate. Therefore, Cal Advocates instead forecasted program costs by calculating the escalated historical five-year average along with the overarching Customer Records and Collections account, yielding \$90,575.

**IV. CONCLUSION**

The Commission should base the estimated Groundwater Charges using the most recent recorded 2023/2024 well zone data; utilize the most recent historical five-year

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<sup>68</sup> \$90,575 - \$78,754 = \$11,821.

<sup>69</sup> Exhibit D – CHAPTER 5 Operating Expenses (July 1, 2024) at 34.

<sup>70</sup> Exhibit D – CHAPTER 5 Operating Expenses (July 1, 2024) at 34; D.23-04-004, *Decision Adopting Partial Settlement Agreement, Resolving Remainder of Disputed Issues and Authorizing Great Oaks General Rate Increases for 2002-2024* (Apr. 11, 2023) at 35.

<sup>71</sup> Attachment 12: Great Oaks’ response to Cal Advocates’ data request LCN-007 (Misc.), Q4b (August 5, 2024).

- 1 average to determine the power-per-acre foot rate forecast; and utilize the most recent
- 2 historical five-year average to forecast Customer Records and Collections and the Credit
- 3 Card Pilot Program costs.



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## CHAPTER 5 ADMINISTRATIVE AND GENERAL EXPENSES

### I. INTRODUCTION

Great Oaks addressed these expenses in Exhibit D – Chapter 5 Operating Expenses. The Commission should adopt a \$2,743,561 Administrative and General (A&G) budget in Test Year 2025/2026. Some of the expenses in Great Oaks’ forecast are based on faulty assumptions that would result in unnecessary rate increases for ratepayers. The Commission should reject Great Oaks’ faulty assumptions and adopt Cal Advocates’ modifications to the utility’s forecast proposed in this chapter.

### II. SUMMARY OF RECOMMENDATIONS

The Commission should:

- Utilize the most recent historical five-year average to forecast Outside Services;
- Adopt Great Oaks’ Outside Services forecasts, which utilize the average change of historical Conservation costs; and
- Approve the new Defined Contribution Plan.

For the other remaining expense categories, the Commission should adopt Great Oaks’ forecast because they are reasonable. Any further differences in estimates are due solely to Cal Advocates’ adjustments to Great Oaks’ sales forecast. Table 5-1 below compares Great Oaks’ proposed and Cal Advocates’ recommended budgets for A&G expenses.

**Table 5-1: Summary of Differences in Great Oaks’ and Cal Advocates’ Test Year 2025/2026 A&G Expense Estimates**

Expense Category	Great Oaks <sup>72</sup>	Cal Advocates	Difference
Outside Services	\$458,739	\$453,778	(\$4,961)

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<sup>72</sup> Updated Exhibit E – GRC Workpapers, Tab “WP6 – A&G Expense” (August 29, 2024).

1 **III. ANALYSIS**

2 **A. Outside Services – Account 798**

3 The Commission should adopt Great Oaks’ Outside Services forecasts with the  
4 Conservation budget adjusted for the average change of historical costs.

5 Consistent with the average change of historical cost amounts instead of Great  
6 Oaks’ proposed budget amount of \$132,000<sup>73</sup>, the Commission should authorize  
7 \$127,039 for Great Oaks’ Conservation budget for TY 2025/2026. This is further  
8 discussed in Cal Advocates’ witness Herbert Merida’s Testimony, Chapter 1.

9 **B. Pension and Benefits**

10 The Commission should adopt Great Oaks’ proposed Defined Contribution Plan,  
11 also known as a 401(k) Plan.

12 Great Oaks currently offers its employees a Defined Benefit Retirement Plan, with  
13 costs determined by a complex calculation that considers, but is not limited to, the age,  
14 years of service, and average employee compensation, as well as the mortality table,  
15 discount rate, and expected rate of return in the equity market.<sup>74</sup> Great Oaks proposes to  
16 terminate its Pension Plan on December 31, 2025, coinciding with the implementation of  
17 a 401(k) Plan with funding to begin January 1<sup>st</sup>, 2026, followed soon after with Great  
18 Oaks’ final contribution, thus allowing for the amortization and closing of its Pension  
19 Expense Balancing Account.<sup>75</sup>

20 According to Great Oaks, the 401(k) Plan will allow employees to contribute a  
21 portion of their wages to an individual retirement account.<sup>76</sup> The plan will provide a Safe  
22 Harbor plan where the Company will contribute a 20% Nonelective Safe Harbor  
23 Contribution and there will be no employer match to periodic employee contributions.<sup>77</sup>

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<sup>73</sup> Updated Exhibit E – GRC Workpapers, Tab “WP6 – A&G Expense” (August 29, 2024).

<sup>74</sup> Exhibit D – CHAPTER 5 Operating Expenses (July 1, 2024) at 30.

<sup>75</sup> Exhibit D – CHAPTER 5 Operating Expenses (July 1, 2024) at 31.

<sup>76</sup> Exhibit D – CHAPTER 5 Operating Expenses (July 1, 2024) at 30.

<sup>77</sup> Attachment 13: Great Oaks’ Response to Cal Advocates’ data request LCN-002 (Retirement Plan), Q1d

1 Since the plan guarantees the amount of contribution to the retirement plan, the formula  
2 to calculate estimated annual contribution can be based on an employee’s annual salary.<sup>78</sup>  
3 As such, the cost to provide and administer the 401(k) Plan will be estimated in advanced  
4 and calculated in-house.<sup>79</sup> Therefore, another balancing account is not needed, and there  
5 will be savings from no longer relying on an outside actuary consulting firm to do cost  
6 calculation and required reporting to the Internal Revenue Service.<sup>80</sup> These changes will  
7 result in an approximately \$300,000 year-over-year savings in the retirement expense.<sup>81</sup>

8 **IV. CONCLUSION**

9 The Commission should utilize the most recent historical five-year average to  
10 forecast Outside Services; adjust the Conservation budget consistent with historical  
11 amounts; and approve the new Defined Contribution Plan.

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(June 28, 2024).

<sup>78</sup> Attachment 14: Great Oaks’ Response to Cal Advocates’ data request LCN-002 (Retirement Plan), Q1a (June 28, 2024).

<sup>79</sup> Attachment 14: Great Oaks’ Response to Cal Advocates’ data request LCN-002 (Retirement Plan), Q1a (June 28, 2024).

<sup>80</sup> Exhibit D – CHAPTER 5 Operating Expenses (July 1, 2024) at 30.

<sup>81</sup> Updated Exhibit E – GRC Workpapers – 2024, tab “WP7 – Employee Benefits” (August 29, 2024).

1 **CHAPTER 6 SALARIES AND WAGES**

2 **I. INTRODUCTION**

3 Great Oaks addressed these expenses in Exhibit D – Chapter 5 Operating  
4 Expenses. Great Oaks proposes to use the previously adopted Salaries and Wages as the  
5 basis for forecasting the cost in this Application.<sup>82</sup> The assumptions Great Oaks relies on  
6 are improper and should rely on recorded data instead.

7 **II. SUMMARY OF RECOMMENDATIONS**

8 The Commission should:

- 9 • Not oppose an additional Field Service Technician position;
- 10 • Base the Salaries & Wages forecast on recorded data;

11 **Table 6-1: Summary of Differences in Great Oaks’ and Cal Advocates’ Test Year**  
12 **2025/2026 Salaries and Wages Expense Estimates**

Expense Category	Great Oaks <sup>83</sup>	Cal Advocates	Difference
Salaries and Wages	\$3,484,763	\$3,001,399	(\$483,364)

13  
14 **III. ANALYSIS**

15 **A. Field Service Employee**

16 The Commission should not oppose Great Oaks’ request for an additional Field  
17 Service Employee. According to Great Oaks, the new employee will be responsible for  
18 replacing and inspecting the old meters and taking and maintaining inventory of service  
19 line materials to follow the U.S. Environmental Protection Agency’s (EPA) Lead and  
20 Copper Rule.<sup>84</sup>

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<sup>82</sup> Updated Exhibit E – GRC Workpapers, Tab “WP10 – Employees & Salaries” (August 29, 2024).

<sup>83</sup> Updated Exhibit E – GRC Workpapers, Tab “WP10 – Employees & Salaries” (August 29, 2024).

<sup>84</sup> Exhibit D – CHAPTER 5 Operating Expenses (July 1, 2024) at 5.

1                   **1. Meter Replacements**

2                   Great Oaks proposes an additional Field Service Employee to  
3                   replace old meters scheduled for replacement between 2025 until 2027.<sup>85</sup>  
4                   Great Oaks proposes a replacement and/or inspection of 2,365 small and  
5                   large meters for the 2025-2027 GRC cycle.<sup>86</sup> When asked about fluctuating  
6                   historical meter replacements,<sup>87</sup> Great Oaks cited COVID-19, as well as not  
7                   having dedicated staff members to perform meter replacements, thus  
8                   relying on the availability of existing staff members.

9  
10                   **2. Lead and Copper Rule**

11                   Great Oaks states that the additional Field Service Employee is also  
12                   needed to take and maintain inventory of service line materials to follow  
13                   guidance prescribed under and recent revisions to the Lead and Copper  
14                   Rule.<sup>88</sup> Great Oaks previously utilized and currently utilizes in-house  
15                   employees to complete these tasks.<sup>89</sup> The Lead and Copper Rule revisions  
16                   include inventory, testing, reporting, and other tasks which require  
17                   completion before certain 2024 and 2025 deadlines, as well as ongoing  
18                   quarterly, annual and other duration deadlines.<sup>90</sup>

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<sup>85</sup> Exhibit D – CHAPTER 5 Operating Expenses (July 1, 2024) at 5.

<sup>86</sup> Attachment 15: Great Oaks’ Response to Cal Advocates’ data request DG-011 (Meters Follow-Up), Q1a (July 25, 2024).

<sup>87</sup> Attachment 16: Great Oaks’ Response to Cal Advocates’ data request DG-007 (Meters & Vehicles), Q2a and 2b (July 9, 2024).

<sup>88</sup> Exhibit D – CHAPTER 5 Operating Expenses (July 1, 2024) at 5.

<sup>89</sup> Attachment 17: Great Oaks’ Response to Cal Advocates’ data request LCN-001 (New Position), Q1bii (June 20, 2024).

<sup>90</sup> Attachment 18: Great Oaks’ Response to Cal Advocates’ data request DG-013 (Field Visit Follow-Up), Q5a (August 22, 2024).

1                   **3. Conclusion**

2                   Upon review of EPA’s Lead and Copper Rule, Cal Advocates does  
3                   not oppose the new Field Service Technician position.

4                   **B. Salaries and Wages Adopted Versus Recorded Basis**

5                   Great Oaks’ Test Year 2025/2026 salaries and wages estimate is based on an  
6                   improper forecast at the expense of ratepayers. In the current GRC Application, Great  
7                   Oaks’ forecast is \$3,484,763,<sup>21</sup> calculated by escalating hard-coded 2024/2025 figures.  
8                   These are not 2204/2025 recorded figures, as the year has not been completed.

9                   Therefore, the forecast should be based on the most recent recorded salaries and wages.

10                  Using 2023/2024 recorded data, \$2,826,428,<sup>22</sup> as a starting point to estimate the  
11                  Test Year 2025/2026 salaries and wages better reflects Great Oaks’ needs. Applying  
12                  escalations for two years to this figure results in an estimate \$3,001,399 in Salaries and  
13                  Wages in Test Year 2025/2026, with an overall reduction of \$483,364.<sup>23</sup>

14                  **IV. CONCLUSION**

15                  The Commission should base the Test Year 2025/2026 Salaries & Wages budget  
16                  off recorded data; and the Commission should approve the new Field Service Technician  
17                  position.

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<sup>21</sup> Updated Exhibit E – GRC Workpapers, Tab “WP10 – Employees & Salaries” (August 29, 2024).

<sup>22</sup> Updated Exhibit E – GRC Workpapers, Tab “WP10 – Employees & Salaries” (August 29, 2024).

<sup>23</sup> \$3,484,763 – \$3,001,399 = \$483,364.

1                   **CHAPTER 7 NON-TARIFFED PRODUCTS AND SERVICES**

2   **I.     INTRODUCTION**

3           Great Oaks addressed these expenses in Exhibit D – Chapter 3 Company  
4   Operations and Basic Information. Non-Tariff Products and Services (NTP&S) are non-  
5   tariffed sources of revenue that the Commission has authorized utilities to collect. The  
6   revenues are then split between ratepayers and shareholders, as determined by D.11-10-  
7   034.<sup>24</sup> Great Oaks states that, in the upcoming GRC cycle, it will collect two sources of  
8   NTP&S revenue, tenant rental and HomeServe, and it will no longer collect revenue from  
9   a telecommunication company.<sup>25</sup>

10   **II.    SUMMARY OF RECOMMENDATIONS**

11   Great Oaks’ NTP&S ratepayer revenue forecast calculation methodology is inconsistent  
12   with the Commission’s NTP&S rules in D.11-01-034 and underestimates the revenue  
13   owed to ratepayers. As a remedy, the Commission should allocate \$103,600 in annual  
14   NTP&S revenue to Great Oaks ratepayers in Test Year 2025/2026.

15   **III.   ANALYSIS**

16           Great Oaks’ NTP&S revenue calculation methodology is inconsistent with the  
17   Commission’s NTP&S revenue calculation methodology and underestimates the NTP&S  
18   revenue that customers are owed. D.11-01-034, Rule X.C states:

19           Gross revenue from NTP&S projects shall be shared between the utility’s  
20           shareholders and its ratepayers. In each general rate case, NTP&S revenues  
21           shall be determined and shared as follows:

- 22  
23           1. Active NTP&S projects: 90% shareholder and 10% ratepayer.  
24           2. Passive NTP&S projects 70% shareholder and 30% ratepayer.  
25           ...

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<sup>24</sup> D.11-10-034, *Modified Decision Regarding Petition for Modification of Decision 10-10-019* Appendix A, Rule X.C. (Oct. 20, 2011), at A-12 to A-13.

<sup>25</sup> Exhibit D – CHAPTER 3 Company Operations and Basic Information, PDF page 11.

1 5. For those utilities with annual Other Operating Revenue (OOR) of  
2 \$100,000 or more, revenue sharing shall occur only for revenues in excess  
3 of that amount. All NTP&S revenue below that level shall accrue to the  
4 benefit of ratepayers.<sup>26</sup>  
5

6 Great Oaks proposes to allocate 50% of the total NTP&S revenue to ratepayers.<sup>27</sup>  
7 This calculation method does not apply the correct ratepayer percentage to each project's  
8 revenue and neglects to portion the first \$100,000 of revenue earned to ratepayers. Great  
9 Oaks' revenue calculation methodology underestimates the revenue that its customers are  
10 owed.

11 Cal Advocates recalculated the correct amount of NTP&S revenue that should be  
12 allocated to ratepayers using the methodology required by D.11-10-034 and the annual  
13 \$112,000 total passive income for the test and subsequent years.<sup>28</sup> This recalculation  
14 applies the correct revenue percentages for passive projects and allocates the first  
15 \$100,000 revenue to the ratepayer, following NTP&S Rule X.C. This yields an annual  
16 ratepayer share of NTP&S revenue of \$103,600.<sup>29</sup>

#### 17 **IV. CONCLUSION**

18 The Commission should require Great Oaks to adhere to the D.11-10-034  
19 requirements by increasing its annual NTP&S revenue ratepayer share forecast to  
20 \$103,600.

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<sup>26</sup> D.11-10-034, *Modified Decision Regarding Petition for Modification of D.10-10-019*, Appendix A: *Modified Rules for Water and Sewer Utilities Regarding Affiliate Transaction and the Use of Regulated Assets for Non-Tariffed Utility Services*, Rule X.C. (Oct. 25, 2011) at A-12 to A-13.

<sup>27</sup> Exhibit D – CHAPTER 3 Company Operations and Basic Information (July 1, 2024) at 11.

<sup>28</sup> Exhibit D – CHAPTER 3 Company Operations and Basic Information (July 1, 2024) at 11.

<sup>29</sup> \$100,000 + (\$12,000\*0.30) = \$103,600.



1 **CHAPTER 8 INCOME TAXES**

2 **I. INTRODUCTION**

3 This chapter presents Cal Advocates’ recommendations for Income Taxes for  
4 Great Oaks’ General Rate Case (GRC) in A.24-07-001 (Application). While not  
5 specifically addressed by Great Oaks in its testimony, calculations of income taxes are  
6 included in Exhibit E, workpapers. As a company operating in the state of California,  
7 Great Oaks must pay income taxes at both the federal and state level. Federal Income  
8 Tax (FIT) and state income tax, known as the California Corporate Franchise Tax  
9 (CCFT) are expenses that ratepayers fund through water rates and they must be properly  
10 calculated. Income tax recommendations for Test Year 2025/2026 are based on analysis  
11 of Great Oaks’s Application, testimony, workpapers, and responses to Cal Advocates’  
12 discovery.

13 **II. SUMMARY OF RECOMMENDATIONS**

14 The Commission should deduct the approved 2024/2025 CCFT amount of  
15 \$138,300 when calculating Test Year 2025/2026 Federally Taxable Income.

16 **III. ANALYSIS**

17 The Commission should deduct a previously adopted CCFT amount when  
18 calculating Test Year 2025/2026 federally taxable income. The Commission approved  
19 2024/2025 escalation rates in Great Oaks’ Advice Letter (AL) 325.<sup>100</sup> Great Oaks’  
20 ratepayers will fund, through rates, a CCFT expense of \$138,297.<sup>101</sup> A deduction from  
21 taxable income will result in a decrease to the FIT expense for Great Oaks. As a result,  
22 ratepayers will receive the benefit from what they funded.

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<sup>100</sup> Attachment 7, Great Oaks’ Advice Letter 325-W-A (June 14, 2024).

<sup>101</sup> Updated Exhibit E, GRC Workpapers, WP1 - Summary of Earnings, Cell J26 (August 29, 2024).

1           Great Oaks incorrectly proposes to deduct the projected Test Year CCFT amount  
2 of \$118,572<sup>102</sup> from its federally taxable income. This method runs counter to previous  
3 Commission Decisions. For example, in Decision (D).89-11-058, the Commission  
4 required that a previously adopted CCFT amount should be deducted from Test Year  
5 federally taxable income.<sup>103</sup> The Commission affirmed this ruling in D.17-06-008.<sup>104</sup>  
6 Therefore, Great Oaks should not deduct current-year CCFT from federally taxable  
7 income.

8           Deducting the previous-year approved CCFT amount will follow previous  
9 Commission rulings and provide Great Oaks ratepayers the tax benefit of what they pay  
10 in rates in 2024/2025 as a result of Great Oaks approved AL 325.

11           Great Oaks has been approved for a CCFT expense of \$138,297 in 2024/2025.<sup>105</sup>  
12 Using this correct amount will result in a decrease in FIT expense and rates by \$4,142.<sup>106</sup>  
13 Based on recommendations from other Cal Advocates witnesses, the final income tax  
14 number may change. The Commission should adopt state and federal income tax  
15 expense amounts as recommended by Cal Advocates in the Results of Operation (RO)  
16 Model in Table 1-1.<sup>107</sup>

#### 17 **IV. CONCLUSION**

18           The Commission should deduct the previously adopted CCFT amount of \$138,297  
19 when calculating Test Year 2025/2026 federally taxable income.<sup>108</sup>

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<sup>102</sup> Exhibit E, GRC Workpapers, WP43 - TY 2025-2026 Taxes, Cell F44 (July 1, 2024).

<sup>103</sup> D.89-11-058 at 10. Conclusion of Law (CoL) 1

<sup>104</sup> D.17-06-008, *Decision Approving Settlement and Authorizing Revenue Requirement for the San Gabriel Valley Water Company* (June 15, 2017) at 38.

<sup>105</sup> Updated Exhibit E, GRC Workpapers, WP1 - Summary of Earnings, Cell J26 (August 29, 2024).

<sup>106</sup>  $\$138,297 - \$118,572 = \$19,725 * 21\% = \$4,142$ .

<sup>107</sup> Attachment 36: Summary and Tables of Cal Advocates' Results of Operation Model (RO Model Tables)

<sup>108</sup> Updated Exhibit E, GRC Workpapers, WP1 - Summary of Earnings, Cell J26 (August 29, 2024).

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## CHAPTER 9 TAXES OTHER THAN INCOME

### I. INTRODUCTION

This chapter presents Cal Advocates’ analysis and recommendations for taxes other than income for Great Oaks in Test Year 2025/2026. Taxes other than income include Ad Valorem taxes (property taxes), Business License Fees, Franchise Taxes, and Payroll Taxes. While not specifically addressed by Great Oaks in its testimony, calculations of taxes other than income are included in Exhibit E, workpapers. Taxes other than income recommendations for Test Year 2025/2026 are based on analysis of Great Oaks’s Application, testimony, workpapers, and responses to Cal Advocates’ discovery.

### II. SUMMARY OF RECOMMENDATIONS

The Commission should adopt Cal Advocates’ projected taxes other than income contained in Table 5-1 of Cal Advocates’ RO Model.<sup>109</sup>

### III. ANALYSIS

#### A. Payroll Taxes

##### 1. Federal Insurance Contribution Act (FICA) Taxes

The Commission should approve Great Oaks’s method for calculating Federal Insurance Contribution Act (FICA) taxes. However, differences in estimations of the number of employees and salaries between Great Oaks and Cal Advocates’ witness Lauren Cunningham result in different total FICA tax amounts. The Commission should adopt Cal Advocates’ projected payroll taxes contained in Table 5-1 of Cal Advocates’ RO Model.

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<sup>109</sup> Attachment 36: Summary and Tables of Cal Advocates’ Results of Operation Model (RO Model Tables)

1  
2 The Federal Government collects FICA taxes to fund Social Security and  
3 Medicare. The current FICA tax rate for Social Security is 6.2%, up to \$168,600 in  
4 earnings and 1.45% for Medicare, with no maximum earning limit for paying taxes.<sup>110</sup>

5 **2. Federal and State Uninsurance Taxes**

6 The Commission should adopt Great Oaks’s methodology for calculating Federal  
7 Unemployment Insurance (FUI) and State Unemployment Insurance (SUI) taxes.  
8 However, differences in estimations of the number of employees and salaries between  
9 Great Oaks and Cal Advocates’ witness Ms. Lauren Cunningham result in different total  
10 FUI and SUI tax amounts. The Commission should adopt Cal Advocates’ projected  
11 payroll taxes contained in Table 5-1 of Cal Advocates’ RO Model.

12 Both California and the Federal Government collect taxes to fund unemployment  
13 from the first \$7,000 of each employee’s salary. The federal rate is 0.6%.<sup>111</sup> The state’s  
14 collection rate can be from 1.5% to 6.2%,<sup>112</sup> and Great Oaks projects 1.7%.<sup>113</sup> The  
15 Commission should adopt Cal Advocates’ projected payroll tax amounts contained in  
16 Table 5-1 of Cal Advocates’ RO Model.

17 **B. Ad Valorem Taxes**

18 The Commission should adopt Great Oaks’s methodology for calculating Ad  
19 Valorem taxes. However, differences in the estimation of Utility Plant in Service  
20 between Cal Advocates’ witness Ms. Daphne Goldberg and Great Oaks will lead to  
21 changes in the total TY 2025/2026 Ad Valorem tax amount. The Commission should  
22 adopt Cal Advocates’ projected property taxes contained in Table 5-1 of Cal Advocates’  
23 RO Model.

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<sup>110</sup> [Topic no. 751, Social Security and Medicare withholding rates | Internal Revenue Service \(irs.gov\)](#)

<sup>111</sup> See <https://www.irs.gov/taxtopics/tc759>

<sup>112</sup> [https://edd.ca.gov/en/payroll\\_taxes/rates\\_and\\_withholding/](https://edd.ca.gov/en/payroll_taxes/rates_and_withholding/)

<sup>113</sup> Exhibit E, GRC Workpapers, WP15 - ER Payroll Taxes, Cell BC10 (July 1, 2024).

1           **C.     Franchise Taxes**

2           The Commission should adopt Great Oaks’ method of projecting the Franchise tax  
3 rate for Test Year 2025/2026. Great Oaks uses a Franchise Tax rate of 2%, which is the  
4 correct rate for utilities in San Jose.<sup>114</sup> Though Great Oaks uses the correct rate, Cal  
5 Advocates recommendations will lead to different revenues in TY 25/26. Therefore, the  
6 final projected franchise tax amounts will be different between Great Oaks and Cal  
7 Advocates. The Commission should adopt Cal Advocates’ projected franchise taxes  
8 contained in Cal Advocates’ RO Model Table 5-1.

9           **IV.   CONCLUSION**

10          While Cal Advocates does not disagree with Great Oaks’ methods for calculating  
11 taxes other than income, there will be differences in final recommended amounts due to  
12 differences in labor recommendations, plant recommendations, and the Test Year revenue  
13 from other Cal Advocates witnesses.<sup>115</sup> The Commission should adopt Cal Advocates’  
14 projected taxes other than income contained in Table 5-1 of Cal Advocates’ RO Model.  
15

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<sup>114</sup> San Jose Municipal Code 15.40.410.

<sup>115</sup> Please see the testimony of Cal Advocates witnesses Mr. Jawad Baki, Ms. Lauren Cunningham, Ms. Daphne Goldberg, and Mr. Herbert Merida.

1 **CHAPTER 10 PLANT**

2 **I. INTRODUCTION**

3 Great Oaks Water Company (Great Oaks) provides an inadequate substitute for a  
4 Comprehensive Asset Management Plan, titled “Infrastructure and Facilities Master Plan  
5 SP 2024,” which is similar to a 2015 document Great Oaks submitted in two of its prior  
6 general rate cases, 2018 and 2021. A Comprehensive Asset Management Plan is a  
7 critical component of thorough, planned infrastructure investment and system safety and  
8 reliability. Great Oaks needs to develop a Comprehensive Asset Management Plan that  
9 meets industry standards and best practices.

10 Although the Commission should authorize most of Great Oaks’ forecasted  
11 infrastructure investment budgets<sup>116</sup> in this General Rate Case, it will be difficult for the  
12 Commission to determine whether the proposed budgets include all the necessary water  
13 system investments because Great Oaks did not provide a Comprehensive Asset  
14 Management Plan. Great Oaks provided its *Infrastructure and Facilities Master Plan*  
15 SP2024 per Minimum Data Requirement (MDR) II.E.18. Application, Exhibit 8-4. Great  
16 Oaks’ proposed capital projects are presented in its Application Exhibit G and additional  
17 plant data is discussed in Exhibit D, Chapter 7- Rate Base, Chapter 10 – Utility Plant and  
18 Exhibit D, Chapter 8 – Supply and Distribution Infrastructure Status and Planning.

19 **II. SUMMARY OF RECOMMENDATIONS**

20 The Commission should:

- 21 • Order Great Oaks to produce a Comprehensive Asset Management Plan that meets  
22 the current industry best practices within six months of the final decision in this  
23 General Rate Case through an Informational-Only Advice Letter;

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24 <sup>116</sup> The Commission should authorize Great Oaks’ proposed plant budgets, except for the Lower Levin Tank Water Circulation Project discussed in this chapter.

- 1 • Authorize Great Oaks’ completed project costs in the amount of \$2,481,877<sup>117</sup> in  
2 the Test Year 2025/2026;  
3
- 4 • Find Great Oaks’ completed projects are used and useful and provide service to  
5 ratepayers;  
6
- 7 • Deny Great Oaks’ proposed budget of \$24,000<sup>118</sup> in the Test Year 2025/2026 to  
8 complete the Lower Levin Tank Water Circulation Project;  
9
- 10 • Authorize Cal Advocates’ recommended plant budgets of \$2,003,752<sup>119</sup> in the  
11 Test Year 2025/2026 and \$1,444,453<sup>120</sup> in 2026/2027;  
12
- 13 • Not authorize Great Oaks’ request for a new Backup Battery System  
14 memorandum account to track expenses associated with the project; and  
15
- 16 • Find Great Oaks compliant with the Commission’s 2023 decision where Great  
17 Oaks agreed to use a term of 30-years as the depreciation factor for its meters and  
18 meter installations.<sup>121</sup>

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<sup>117</sup> The total amount of \$2,481,877 includes \$1,939,552 of costs for Well 24A, B, C electrical work for chlorination; Well 24B and Well 24C drilling projects, Well 16 redevelopment, and Well 22 motor replacement, in addition to \$542,325 for the Exterior coating of tanks project. For well projects, refer to Attachment 34: Great Oaks response to Public Advocates Office data request DG-008, Q.1. (July 15, 2024). For exterior coating of tanks, refer to Application Exhibit G (July 1, 2024) and Great Oaks 45-day Application update (August 29, 2024) at 4-5.

<sup>118</sup> Application, 45-day update, Exhibit E workpapers, tab WP18, Cell K35 (August 29, 2024).

<sup>119</sup> Application, 45-day update, Updated Exhibit E workpapers, tab WP20, Cell K24 (August 29, 2024).

<sup>120</sup> Application, 45-day update, Updated Exhibit E workpapers, tab WP20, Cell L24 (August 29, 2024).

<sup>121</sup> D.23-04-004, *Decision Adopting Partial Settlement Agreement, Resolving Remainder of Disputed Issues and Authorizing Great Oaks’ General Rate Increases for 2022-2024* (Apr. 11, 2023) at 17-18.

1 **III. ANALYSIS**

2 **A. Great Oaks Must Develop A Comprehensive Asset**  
3 **Management Plan Consistent With Current Industry**  
4 **Standards and Best Practices**

5 Although Great Oaks agreed to develop a Comprehensive Asset Management Plan in  
6 2019, it has failed to do so. In the Settlement Agreement approved by the Commission’s  
7 2019 Decision, the Commission authorized funding for Great Oaks to develop a  
8 Comprehensive Asset Management Plan, consistent with Cal Advocates’  
9 recommendation.<sup>122</sup> However, the document that Great Oaks provided both in its 2021  
10 General Rate Case Application and its current Application is not a comprehensive  
11 plan.<sup>123</sup> As a result, the Commission should order Great Oaks to produce a  
12 Comprehensive Asset Management Plan that meets the current industry best practices  
13 within six months of the final decision in this General Rate Case through a Advice Letter.

14 Great Oaks did not include a detailed and comprehensive Asset Management Plan  
15 in its Application. Instead, Great Oaks submitted a 2024 document entitled  
16 *Infrastructure and Facilities Master Plan (2024 Document*”), which is similar to Great  
17 Oaks’ 2015 Document that was provided in both its 2018 and 2021 General Rate Case  
18 applications.<sup>124, 125</sup> As an example of the lack of detail, Great Oaks’ describes its entire  
19 water supply in the following sentence in its 2015 Document: “As of July 1, 2015, Great  
20 Oaks utilizes a total of nineteen (19) groundwater production wells, all located on real

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<sup>122</sup> See D.19-09-010, *Decision Adopting a Settlement Agreement Concerning the GRC for Great Oaks* (Sept. 19, 2019) at 12.

<sup>123</sup> Great Oaks GRC A.21-07-001, Exhibit 8-4: *Infrastructure and Facilities Master Plan SP2015*, Great Oaks Water System Facilities and Assets.

<sup>124</sup> Great Oaks GRC A.18-07-002, Exhibit 8-3: *Infrastructure and Facilities Master Plan SP2015*, Great Oaks Water System Facilities and Assets.

<sup>125</sup> Great Oaks provided the 2024 Document in response to the requirement that all Class A water utilities submit an asset management plan to identify and address aging infrastructure needs. See Minimum Data Requirement (MDR) I.I.E.18. Application, Exhibit 8-4: *Infrastructure and Facilities Master Plan SP2024*.



1 property owned by Great Oaks or to which Great Oaks has rights acquired through  
2 easement.”<sup>126</sup> Great Oaks’ 2024 Document includes the same sentence about Great  
3 Oaks’ entire water supply with an updated number of existing groundwater wells, 23  
4 wells instead of 19 wells.<sup>127</sup> Neither document provides information on the location of  
5 wells, age of wells; type of construction; depth; diameter; actual production; efficiency;  
6 water quality; operational status; populations served; criticality; expected useful life; or  
7 prioritized long-term rehabilitation or replacement plans, per industry standards.

8 Great Oaks’ storage tanks description is another example of inadequate detail for a  
9 Comprehensive Asset Management Plan. Both in its 2015 and 2024 documents, the only  
10 details provided about storage facilities are the following two sentences, “Great Oaks’  
11 water system includes a total of six (6) storage tanks, with a combined capacity of  
12 6,327,000 gallons. All storage tanks have metal construction.”<sup>128</sup> Between its 2015 and  
13 2024 Document, Great Oaks only updated the combined capacity of the tanks.<sup>129</sup> At a  
14 minimum, a comprehensive asset management plan would have included the original date  
15 in service; remaining useful life; location; maintenance history; criticality for meeting  
16 necessary fire flows; water quality; costs; and inspection schedules and results.

17 The 2024 Document is an inadequate substitute for a detailed and comprehensive  
18 asset management plan, and it fails in most areas to meet Commission standards and the

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<sup>126</sup> Great Oaks’ GRC A.18-07-002, Exhibit 8-3, Infrastructure and Facilities Master Plan SP2015, Great Oaks Water System Facilities and Assets, A. Sources of Water Supply, pg.4.

<sup>127</sup> Great Oaks’ Application, Exhibit D. – Chapter 8, Exhibit 8-4, Infrastructure and Facilities Master Plan SP2024, Great Oaks Water System Facilities and Assets, A. Sources of Water Supply, pg.4.

<sup>128</sup> Great Oaks’ Application, Exhibit D. – Chapter 8, Exhibit 8-4, Infrastructure and Facilities Master Plan SP2024, Great Oaks Water System Facilities and Assets, C. Storage Facilities, pg.5.

<sup>129</sup> Great Oaks’ 2015 Document included a storage tank combined capacity of 6,228,000 gallons. Application, Great Oaks’ GRC A.18-07-002, Exhibit 8-3, Infrastructure and Facilities Master Plan SP2015, Great Oaks Water System Facilities and Assets, C. Storage Facilities, pg.5.

1 standards and practices established by industry organizations and federal regulators.<sup>130</sup>  
2 For example, the U.S. Environmental Protection Agency explains that the benefits of  
3 having an Asset Management Plan include “prolonging asset life and improving  
4 decisions about asset rehabilitation repair, and replacement, setting rates based on sound  
5 operational and financial planning, and reducing overall costs for both operations and  
6 capital expenditures.”<sup>131</sup>

7 In addition, a Comprehensive Asset Management Plan should include detailed cost  
8 controls; condition and value of current plant; and budget projections for required  
9 additions to, or retirement of assets and cost analysis to support reliable, consistent, safe  
10 and reasonable water rates for ratepayers.<sup>132,133</sup> For example, a Comprehensive Asset  
11 Management Plan would rank which plant assets should be scheduled for maintenance or  
12 replacement in any fiscal year. Further, any new asset requirements, such as water  
13 supply for a new housing development, require new infrastructure. Having a current

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<sup>130</sup> The Environmental Protection Agency also states, “A high-performing asset management program includes detailed asset inventories, operation and maintenance tasks, and long-range financial planning.” Asset Management for Water and Wastewater Utilities: <https://www.epa.gov/sustainable-water-infrastructure/asset-management-water-and-wastewater-utilities>

<sup>131</sup> Asset Management for Water and Wastewater Utilities: <https://www.epa.gov/sustainable-water-infrastructure/asset-management-water-and-wastewater-utilities>

<sup>132</sup> “Water Infrastructure Comprehensive Asset Management Has Potential to Help Utilities Better Identify Needs and Plan Future Investments”, Figure 1” Elements of Comprehensive Asset Management Plan” (Mar. 2004) at 18. <https://www.gao.gov/products/gao-04-461>

<sup>133</sup> See also The American Society of Civil Engineers, *2021 Infrastructure Report Card* (which states that a plan should include asset condition evaluation and risk and prioritize operations and maintenance decisions). [Drinking-Water-2021.pdf \(infrastructurereportcard.org\)](https://www.asce.org/infrastructure-report-card).

1 Comprehensive Asset Management Plan advances system safety and reliability and is  
2 consistent with industry standards and best practices.<sup>134,135,136</sup>

3 Finally, Great Oaks’ existing methodology which includes use of a historical,  
4 recent, five-year average of investment costs to forecast its proposed General Rate Case  
5 budgets does not provide the Commission assurance that its proposed budgets are  
6 adequate for meeting all necessary infrastructure investment required to provide safe and  
7 reliable service at lowest cost. A better approach would be to propose specific projects  
8 and corresponding budgets consistent with the analysis of conclusions and  
9 recommendations of its Comprehensive Asset Management Plan.

10 Great Oaks states that the development of a Comprehensive Asset Management  
11 Plan is currently underway, however it still needs to re-assess and redefine the objectives  
12 prior to choosing a vendor to work with on the Plan development.<sup>137</sup>

13 Five years have passed since Great Oaks agreed to develop a Comprehensive  
14 Asset Management Plan. Therefore, the Commission should order Great Oaks to produce  
15 a Comprehensive Asset Management Plan that meets the current industry best practices  
16 within six months of the final decision in this General Rate Case through an  
17 Informational-Only Advice Letter.

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<sup>134</sup>Minimum Data Requirement II.E.18, which also requires that the plan should be consistent with the recommendations and elements of the comprehensive asset management identified in the General Account Office’s March 2004 Report, GAO 04-461: *Water Infrastructure: Comprehensive Asset Management has Potential to Help Utilities Better Identify and Plan Future Investments*, available at <https://www.gao.gov/new.items/d04461.pdf> (last visited September 17, 2024)

<sup>135</sup>American Society of Civil Engineers, *2021 Infrastructure Report Card*, <https://infrastructurereportcard.org/cat-item/drinking-water/>, (last visited September 17, 2024)

<sup>136</sup>U.S. EPA’s Reference Guide for Asset Management Tools (June 2020), [https://www.epa.gov/sites/production/files/2020-06/documents/reference\\_guide\\_for\\_asset\\_management\\_tools\\_2020.pdf](https://www.epa.gov/sites/production/files/2020-06/documents/reference_guide_for_asset_management_tools_2020.pdf), (last visited September 17, 2024)

<sup>137</sup> Attachment 24: Great Oaks’ response to Cal Advocates’ data request DG-014, Q.4. (September 3, 2024).

1           **B.     Water Utility Investment Comparison**

2           Great Oaks’ investment per customer is lower than all other Class A water utilities  
3 in California, which may indicate that Great Oaks is not investing enough to ensure safe  
4 and reliable service. A comparison between 2017 and 2023 Class A water utilities’  
5 investment per connection is shown in Chart 10-1, below.<sup>138,139</sup> In 2023, Great Oaks  
6 invested \$51 per connection<sup>140</sup>, which was a decrease from \$67<sup>141</sup> in 2017, as shown in  
7 Table 10-1 and Table 10-2. In comparison, in 2023, the average investment for all Class  
8 A water utilities was \$534 per connection<sup>142</sup>, as shown in Table 10-2. Great Oaks’ total

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<sup>138</sup> The 2017 Class A water utility “2023 Infrastructure Investment” column data: Each Class A water utility 2017 Annual Report, Schedule A-1, Line 1, Column (c) “Additions During Year” amount. The corresponding “Number of Active Service Connections” is included in each Class A water utility 2017 Annual Report “Schedule D-4”. Therefore, the 2017 Infrastructure Investment/Number of Connections = “Investment per Connection” column. [files.cpuc.ca.gov - /WaterAnnualReports/Water Division/Annual Reports/2017/Class A/](https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2017/Class_A/)

<sup>139</sup> The 2023 Class A water utility “2023 Infrastructure Investment” column data: Each Class A water utility 2023 Annual Report, Schedule A-1, Line 1, Column (c) “Additions During Year” amount. The corresponding “Number of Active Service Connections” is included in each Class A water utility 2023 Annual Report “Schedule D-4” (Metered Connections and Flat Rate Connections). Therefore, the 2023 Infrastructure Investment/Number of Connections = “Investment per Connection” column. [files.cpuc.ca.gov - /WaterAnnualReports/Water Division/Annual Reports/2023/Class A/](https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2023/Class_A/)

<sup>140</sup> The 2023 Class A water utility “2023 Infrastructure Investment” column data: Each Class A water utility 2023 Annual Report, Schedule A-1, Line 1, Column (c) “Additions During Year” amount. The corresponding “Number of Active Service Connections” is included in each Class A water utility 2023 Annual Report “Schedule D-4”. Therefore, the 2023 Infrastructure Investment/Number of Connections = “Investment per Connection” column. For example, \$51/connection calculation is: Additions During Year amount of \$1,111,898/21,792 Active Service Connections = \$51 per connection. [https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2023/Class A/](https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2023/Class_A/)

<sup>141</sup> The 2017 Class A water utility “2017 Infrastructure Investment” column data: Each Class A water utility 2017 Annual Report, Schedule A-1, Line 1, Column (c) “Additions During Year” amount. The corresponding “Number of Active Service Connections” is included in each Class A water utility 2017 Annual Report “Schedule D-4”. Therefore, the 2017 Infrastructure Investment/Number of Connections = “Investment per Connection” column. For example, \$67 per connection calculation is: Additions During Year amount of \$1,445,670/21,596 Active Service Connections = \$67 per connection. [https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2023/Class A/](https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2023/Class_A/)

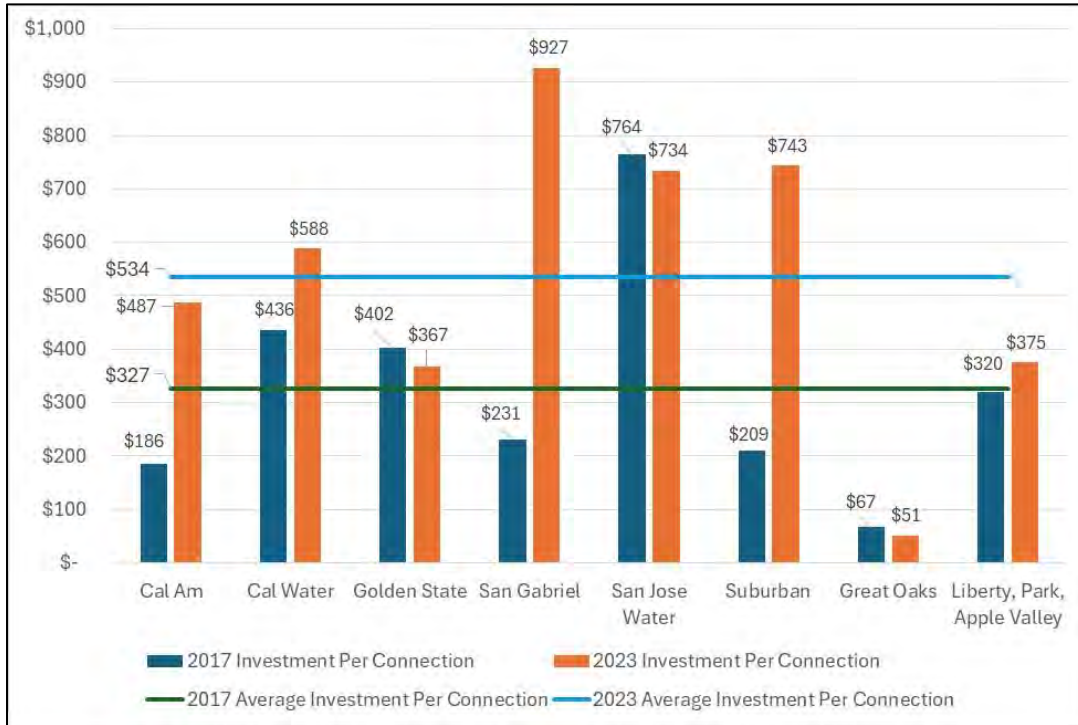
<sup>142</sup> The 2023 Class A water utility “2023 Infrastructure Investment” column data: Each Class A water

1 infrastructure spending in 2023 was approximately ten percent of the average spending  
2 by all the other Class A water utilities.  
3

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utility 2023 Annual Report, Schedule A-1, Line 1, Column (c) “Additions During Year” amount. The corresponding “Number of Active Service Connections” is included in each Class A water utility 2023 Annual Report “Schedule D-4”. Therefore, the 2023 Infrastructure Investment/Number of Connections = “Investment per Connection” column. [files.cpuc.ca.gov - /WaterAnnualReports/Water Division/Annual Reports/2023/Class\\_A/](https://files.cpuc.ca.gov/-/WaterAnnualReports/Water_Division/Annual_Reports/2023/Class_A/)

1 **Chart 10-1: Comparison of 2017 and 2023 Investment per Connection**<sup>143,144</sup>



<sup>143</sup> The 2017 Class A water utility “2017 Infrastructure Investment” column data: Each Class A water utility 2017 Annual Report, Schedule A-1, Line 1, Column (c) “Additions During Year” amount. The corresponding “Number of Active Service Connections” is included in each Class A water utility 2017 Annual Report “Schedule D-4”. Therefore, the 2017 Infrastructure Investment/Number of Connections = “Investment per Connection” column.

<https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2017/Class%20A/>

<sup>144</sup> The 2023 Class A water utility “2023 Infrastructure Investment” column data: Each Class A water utility 2023 Annual Report, Schedule A-1, Line 1, Column (c) “Additions During Year” amount. The corresponding “Number of Active Service Connections” is included in each Class A water utility 2017 Annual Report “Schedule D-4”. Therefore, the 2023 Infrastructure Investment/Number of Connections = “Investment per Connection” column.

[https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2023/Class\\_A/](https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2023/Class_A/)

**Table 10-1: 2017 Infrastructure Investment per Connection<sup>145 146</sup>**

Class A Water Utility	2017 Infrastructure Investment	2017 Number of Connections	2017 Infrastructure Investment Per Connection
Cal Am	\$ 35,326,790	189,870	\$ 186
Cal Water	\$ 227,678,105	522,661	\$ 436
Golden State	\$ 104,163,241	259,091	\$ 402
San Gabriel	\$ 24,319,738	105,068	\$ 231
San Jose Water	\$ 172,163,563	225,373	\$ 764
Suburban	\$ 15,959,764	76,251	\$ 209
Great Oaks	\$ 1,445,670	21,596	\$ 67
Liberty, Park, Apple Valley	\$ 16,816,926	52,625	\$ 320
		Average Investment Per Connection	\$ 327

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<sup>145</sup> The 2017 Class A water utility “2017 Infrastructure Investment” column data: Each Class A water utility 2017 Annual Report, Schedule A-1, Line 1, Column (c) “Additions During Year” amount. The corresponding “Number of Active Service Connections” is included in each Class A water utility 2017 Annual Report “Schedule D-4”. Therefore, the 2017 Infrastructure Investment/Number of Connections = “Investment per Connection” column.

<https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2017/Class%20A/>

<sup>146</sup> The 2023 Class A water utility “2023 Infrastructure Investment” column data: Each Class A water utility 2023 Annual Report, Schedule A-1, Line 1, Column (c) “Additions During Year” amount. The corresponding “Number of Active Service Connections” is included in each Class A water utility 2017 Annual Report “Schedule D-4”. Therefore, the 2023 Infrastructure Investment/Number of Connections = “Investment per Connection” column.

[https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2023/Class\\_A/](https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2023/Class_A/)

**Table 10-2: 2023 Infrastructure Investment per Connection<sup>147 148</sup>**

Class A Water Utility	2023 Infrastructure Investment	2023 Number of Connections	2023 Infrastructure Investment Per Connection
Cal Am	\$ 100,322,090	206,207	\$ 487
Cal Water	\$ 315,577,998	536,660	\$ 588
Golden State	\$ 97,043,457	264,226	\$ 367
San Gabriel	\$ 101,587,854	109,541	\$ 927
San Jose Water	\$ 167,357,801	227,857	\$ 734
Suburban	\$ 58,135,170	78,221	\$ 743
Great Oaks	\$ 1,111,898	21,792	\$ 51
Liberty, Park, Apple Valley	\$ 20,398,783	54,449	\$ 375
		Average Investment Per Connection	\$ 534

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<sup>147</sup> The 2017 Class A water utility “2017 Infrastructure Investment” column data: Each Class A water utility 2017 Annual Report, Schedule A-1, Line 1, Column (c) “Additions During Year” amount. The corresponding “Number of Active Service Connections” is included in each Class A water utility 2017 Annual Report “Schedule D-4”. Therefore, the 2017 Infrastructure Investment/Number of Connections = “Investment per Connection” column.

<https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2017/Class%20A/>

<sup>148</sup> The 2023 Class A water utility “2023 Infrastructure Investment” column data: Each Class A water utility 2023 Annual Report, Schedule A-1, Line 1, Column (c) “Additions During Year” amount. The corresponding “Number of Active Service Connections” is included in each Class A water utility 2023 Annual Report “Schedule D-4”. Therefore, the 2023 Infrastructure Investment/Number of Connections = “Investment per Connection” column.

[https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2023/Class\\_A/](https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2023/Class_A/)



1 In the current General Rate Case, Great Oaks’ proposed capital budget for the  
2 2025/2026 Test Year equates to approximately \$97 per connection.<sup>149</sup> Although \$97  
3 represents an increase from Great Oaks’s 2023 amount of \$51<sup>150</sup>, it is still approximately  
4 eighteen percent of the 2023 average of \$534<sup>151</sup> for all other Class A water utilities. The  
5 significant disparity between Great Oaks and the average Class A investment per  
6 connection may indicate a lack of necessary investment by Great Oaks, which over time  
7 will jeopardize the safety and reliability of its service and result in higher costs to  
8 ratepayers. To ensure that Great Oaks is making the necessary investments in its  
9 infrastructure, the Commission should order Great Oaks to produce a Comprehensive  
10 Asset Management Plan that meets the current industry best practices within six months  
11 of the final decision in this General Rate Case through an Informational-Only Advice  
12 Letter.

### 13 C. Completed Projects

14 The Commission should adopt Great Oaks’ completed project costs in the amount  
15 of \$2,481,877<sup>152</sup> in the Test Year 2025/2026 plant balance for the following five

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<sup>149</sup> In the Test Year 2025/2026, Great Oaks forecasts 21,443 customers and plant investment of \$2,088,429. Therefore,  $\$2,088,429/21,443 = \$97/\text{connection}$ . Great Oaks Application, Exhibit E workpapers, tab WP11, Cell K20 and tab WP20, Cell K24 (July 1, 2024).

<sup>150</sup> The 2023 Class A water utility “2023 Infrastructure Investment” column data: Each Class A water utility 2023 Annual Report, Schedule A-1, Line 1, Column (c) “Additions During Year” amount. The corresponding “Number of Active Service Connections” is included in each Class A water utility 2023 Annual Report “Schedule D-4”. Therefore, the 2023 Infrastructure Investment/Number of Connections = “Investment per Connection” column. For example, \$51/connection calculation is: Additions During Year amount of \$1,111,898/21,792 Active Service Connections = \$51 per connection.  
[https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2023/Class\\_A/](https://files.cpuc.ca.gov/WaterAnnualReports/Water%20Division/Annual%20Reports/2023/Class_A/)

<sup>151</sup> As shown in Table 10-2, \$534 is the 2023 average Investment per Connection amounts for the Class A water utilities included in the table.

<sup>152</sup> The total amount of \$2,481,877 includes \$1,939,552 of costs for Well 24A, B, C electrical work for chlorination; Well 24B and Well 24C drilling projects, Well 16 redevelopment, and Well 22 motor replacement, in addition to \$542,325 for the Exterior coating of tanks project. For well projects, refer to Attachment 34: Great Oaks response to Public Advocates Office data request DG-008, Q.1. (July 15, 2024). For exterior coating of tanks, refer to Application Exhibit G (July 1, 2024) and Great Oaks 45-day

1 completed projects, which provide a service to ratepayers: 1) Well 24A, 24B, and 24C  
2 electrical work needed for chlorination system; 2) Wells 24B and 24C drilling; 3) Well  
3 16 redevelopment<sup>153</sup>; 4) Well 22 motor replacement<sup>154</sup>; and 5) Exterior coating of five of  
4 its tanks.<sup>155</sup> These five completed projects are in use and providing service to ratepayers.  
5 Therefore, the Commission should authorize \$2,481,877 in Great Oaks' Test Year  
6 2025/2026 plant balance.

7 **D. The Commission Should Deny the Proposed Budget to**  
8 **Complete the Lower Levin Tank Circulation Project in**  
9 **This GRC**

10 The Commission should deny Great Oaks' proposed budget of \$24,000<sup>156</sup> in the  
11 Test Year 2025/2026 to complete the Lower Levin Tank Water Circulation Project  
12 because 1) Fifteen years have passed since Great Oaks started the project<sup>157</sup> and Great

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Application update (August 29, 2024) at 4-5.

<sup>153</sup> Refer to the following Great Oaks' Application documents for Completed Well Project details in the amount of \$1,939,552: Well 24B and 24C: Exhibit D, Results of Operations Report, CH 7 at 3-6 (July 1, 2024); Well 16 redevelopment: Attachment 25: Great Oaks response to Public Advocates Office data request DG-001, Attachment 1, tab Wells (June 14, 2024); Well 22: Attachment 34: Great Oaks response to Public Advocates Office data request DG-008, Q.1. Attachment 1 (July 15, 2024).

<sup>154</sup> Attachment 25: Great Oaks' response to Cal Advocates' data request DG-001, Attachment 1 (June 14, 2024).

<sup>155</sup> Refer to the following Great Oaks' Application documents for details of the Completed exterior Coating of five tanks in the amount of \$542,325: Application Exhibit G (July 1, 2024) and Great Oaks 45-day Application update (August 29, 2024) at 4-5.

<sup>156</sup> Application, 45-day update, Updated Exhibit E workpapers, tab WP18, Cell K35 (August 29, 2024).

<sup>157</sup> Attachment 26: Great Oaks' response to Cal Advocates' data request DG-013, Q.6.b. (August 22, 2024). Also see Attachment 25: Great Oaks' response to Cal Advocates' data request DG-001, Q.6 (June 14, 2024) (Great Oaks states that the recorded Construction Work in Progress project balance as of 4/30/2024 is \$15,700.).

1 Oaks states that it requires an additional two years to complete the project<sup>158</sup> and 2) Great  
2 Oaks has not finalized its project scope.<sup>159.160</sup>

3 Great Oaks states that the project is needed to eliminate thermal stratification  
4 which will reduce bacterial growth.<sup>161</sup> However, Great Oaks began the project in 2009,  
5 fifteen years ago, and initially spent \$30,200<sup>162</sup> for the design, drawings, and building of  
6 the project equipment, however, the built project equipment was stolen and not yet  
7 replaced.<sup>163.164</sup> In response to discovery, Great Oaks states that it will need an additional  
8 two years to complete the project however, Great Oaks plans to complete the project with  
9 a different scope and is still finalizing the required equipment.<sup>165</sup>

10 Fifteen years have passed since Great Oaks began the project and the project is not  
11 yet used and useful and not providing a benefit to customers. Therefore, the Commission  
12 should deny the proposed \$24,000<sup>166</sup> budget for the Lower Levin Tank Circulation

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<sup>158</sup> Attachment 26: Great Oaks’ response to Cal Advocates’ data request DG-013, Q.6.b. and 6.c (August 22, 2024).

<sup>159</sup> Attachment 26: Great Oaks’ response to Cal Advocates’ data request DG-013, Q.6.e (August 22, 2024).

<sup>160</sup> Attachment 27: Great Oaks’ response to Cal Advocates’ data request DG-015, Q.3.a. and Q.5.b (September 26, 2024).

<sup>161</sup> Attachment 26: Great Oaks’ response to Cal Advocates’ data request DG-013, Q.6.a. (August 22, 2024).

<sup>162</sup> Attachment 27: Great Oaks’ response to Cal Advocates’ data request DG-015, Q.6.a (September 26, 2024).

<sup>163</sup> Attachment 27: Great Oaks’ response to Cal Advocates’ data request DG-015, Q.4.a (September 26, 2024).

<sup>164</sup> Attachment 26: Great Oaks’ response to Cal Advocates’ data request DG-013, Q.6.b and 6.c (August 22, 2024).

<sup>165</sup> Attachment 26: Great Oaks’ response to Cal Advocates’ data request DG-013, Q.6.e (August 22, 2024).

<sup>166</sup> Application, 45-day update, Updated Exhibit E workpapers, tab WP18, Cell K35 (August 29, 2024).

1 Project. In the event Great Oaks completes this project, it should request to place all  
 2 capitalized costs in rate base in a subsequent general rate case.

3 **E. The Commission Should Authorize the Recommended**  
 4 **Plant Investment Budgets**

5 The Commission should adopt Cal Advocates’ recommended plant budgets of  
 6 \$2,003,752<sup>167</sup> in 2025/2026 and \$1,444,453<sup>168</sup> in 2026/2027 because the proposed  
 7 projects appear prudent, reasonable, and likely to result in improved ratepayer services.  
 8 Great Oaks’ proposed plant additions and corresponding recommended plant additions,  
 9 by category, are presented in Table 10-3, below.

10 **Table 10-3: Proposed and Cal Advocates’ Recommended Plant Budgets<sup>169,170</sup>**

	Great Oaks Proposed Budgets		Cal Advocates Recommendations	
	Test Year	Escalation Year	Test Year	Escalation Year
<b>Plant Additions</b>	<b>2025/2026</b>	<b>2026/2027</b>	<b>2025/2026</b>	<b>2026/2027</b>
Intangible Plant	\$ -	\$ -	\$ -	\$ -
Land and Land Rights	\$ -	\$ -	\$ -	\$ -
Source of Supply Plant	\$ -	\$ -	\$ -	\$ -
Pumping Plant	\$ 172,133	\$ 176,178	\$ 172,133	\$ 176,178
Water Treatment Plant	\$ 5,000	\$ 5,118	\$ 5,000	\$ 5,118
Transmission and Distribution Plant	\$ 1,047,302	\$ 492,280	\$ 1,023,302	\$ 492,280
General Plant	\$ 269,931	\$ 228,170	\$ 269,931	\$ 228,170
Capitalized Direct Labor	\$ 80,150	\$ 82,039	\$ 70,293	\$ 71,945
Capitalized Allocated Payroll (10.6%)	\$ 369,385	\$ 378,077	\$ 318,148	\$ 325,625
Capitalized Allocated Fringe Benefits	\$ 144,529	\$ 144,721	\$ 144,945	\$ 145,138
<b>Total Additions</b>	<b>\$ 2,088,430</b>	<b>\$ 1,506,583</b>	<b>\$ 2,003,752</b>	<b>\$ 1,444,453</b>

11

<sup>167</sup> Application, 45-day update, Updated Exhibit E workpapers, tab WP20, Cell K24 (August 29, 2024).

<sup>168</sup> Application, 45-day update, Updated Exhibit E workpapers, tab WP20, Cell L24 (August 29, 2024).

<sup>169</sup> The Recommended Test Year 2025/2026 Transmission and Distribution budget of \$1,023,302 shown in Table 10-3 excludes Great Oaks’ proposed \$24,000 budget for the Lower Levin Tank Circulation Project.

<sup>170</sup> Differences between Great Oaks’ Proposed budgets for Capitalized Direct Labor, Capitalized Allocated Payroll, and Capitalized Allocated Fringe Benefits and corresponding budget recommendations are due to adjustments in Payroll and Plant Additions. For discussion of Payroll, see Chapter 6 of this report.

1 Great Oaks provides justification for its proposed capital budgets in Exhibit G of  
2 its GRC application.<sup>171</sup> Additional information was obtained through discovery to  
3 validate the reasonableness and prudence of the proposed projects because Great Oaks  
4 does not have an adequate asset management plan for scheduled maintenance and  
5 replacement of necessary infrastructure.

6 The following summarizes the major categories of proposed investment and  
7 additional reviews performed:

8  
9 **1. General Plant Additions Category – Pumping Plant Additions**

10 Great Oaks proposes to replace aging pumps and pumps that are no longer  
11 performing at optimal levels with an average annual budget of \$176,210.<sup>172</sup> For  
12 example, during the period 2021-2023, Great Oaks replaced pumping equipment  
13 at Well 9 and Well 16, and it replaced the Calero booster pump.<sup>173</sup> Great Oaks  
14 states that it will continue to monitor equipment used for pumping and replace it as  
15 needed.

16 **2. Water Treatment Category – Water Treatment Equipment –**  
17 **Replacement**

18 Great Oaks proposes to improve its water treatment equipment used to  
19 disinfect its water supply and ensure it meets all water quality standards with an  
20 average annual budget of \$5,118.<sup>174</sup>

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<sup>171</sup> Application, Exhibit G (July 1, 2024).

<sup>172</sup> Application, Exhibit G, Proposed Capital Projects, A.1. Pumping Plant Addition (July 1, 2024) at 1. Average annual budget calculated using Application, Updated Exhibit E workpapers, tab WP18, Cells K24-M24.

<sup>173</sup> Attachment 25: Great Oaks’ response to Cal Advocates’ data request DG-001, Q.1., Attachment 1, tab “Pumping Equipment” (June 14, 2024).

<sup>174</sup> Application, Exhibit G, Proposed Capital Projects, B.1. Water Treatment Equipment (July 1, 2024) at 1. Average annual budget calculated using Application, Updated Exhibit E workpapers, tab WP18, Cells K30-M30.

1                   **3. Transmission and Distribution Category – Meters**

2                   Great Oaks plans to replace approximately 1,800 meters to comply with  
3 Commission General Order 103-A Meter Replacement Program<sup>175</sup> requirements  
4 with an average annual budget of \$208,268.<sup>176</sup>

5                   **4. General Plant Additions Category – Computer Equipment**

6                   Great Oaks proposes to replace obsolete personal computers and servers,  
7 upgrade software, and replace battery packs with an estimated average annual  
8 budget of \$37,085.<sup>177,178</sup> Great Oaks states that the equipment is necessary to host  
9 customer information to enable receipt of electronic bills and make payments  
10 online.<sup>179</sup> Currently, Great Oaks mails hard copies of all customer bills.

11                   **5. General Plant Additions Category – Office Equipment Project**

12                   Great Oaks proposes to replace its ten-year old envelope stuffing machine,  
13 which it uses to prepare customer bills, and its postage machine software to  
14 provide accurate metered postage at an estimated budget of \$47,000 in the Test  
15 Year 2025/2026.<sup>180</sup>

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<sup>175</sup> CPUC General Order 103-A (September 10, 2009) at 22-24.

<sup>176</sup> Application, Exhibit G, Proposed Capital Projects, C.4. Transmission and Distribution Plant Additions (July 1, 2024) at 2-3. Average annual budget calculated using Application, Updated Exhibit E workpapers, tab WP18, Cells K39-M39.

<sup>177</sup> Application, Exhibit G, Proposed Capital Projects, D.2. General Plant Additions (July 1, 2024) at 4. Average annual budget calculated using Application, Updated Exhibit E workpapers, tab WP19, Cells K15-M15.

<sup>178</sup> Attachment 26: Great Oaks’ response to Cal Advocates’ data request DG-013, Q.2 (August 22, 2024).

<sup>179</sup> Application, Exhibit G, Proposed Capital Projects, D.2. General Plant Additions (July 1, 2024) at 4.

<sup>180</sup> Application, Exhibit G, Proposed Capital Projects, D.3. General Plant Additions (July 1, 2024) at 4. Also see Application, Updated Exhibit E workpapers, tab WP19, Cell K14.

1                   **6. General Plant Additions Category – Transportation Equipment**

2                   Great Oaks proposes to replace three field service trucks (one truck is a  
3                   2005 Ford Ranger and two trucks are 2009 Ford Rangers) with three new, near-  
4                   zero emission vehicles with an estimated annual budget of \$108,949.<sup>181,182</sup> The  
5                   three trucks meet the State of California’s Replacement Schedule Criteria,  
6                   included below.<sup>183</sup>

7                   The California State Administrative Manual, “Replacement Schedule  
8                   Criteria” listed in the table below, supports the replacements of all three  
9                   vehicles.<sup>184</sup>

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<sup>181</sup> Application Exhibit G, Proposed Capital Projects, D.4. General Plant Additions (July 1, 2024) at 5. Average annual budget calculated using Application, Updated Exhibit E workpapers, tab WP19, Cells K16-M16.

<sup>182</sup> Attachment 28: Great Oaks’ response to Cal Advocates’ data request DG-007, Q.1., Attachment 1 (July 9, 2024).

<sup>183</sup> Application, Exhibit G, Proposed Capital Projects, D.4. General Plant Additions (July 1, 2024) at 5.

<sup>184</sup> State Administrative Manual, Replacement Schedule Criteria, Number Revised (Oct. 2017). [California Department of General Services: https://www.dgs.ca.gov/Resources/SAM/TOC/4100/4126](https://www.dgs.ca.gov/Resources/SAM/TOC/4100/4126)

Age and Mileage

Fleet assets that fall within the listed vehicle categories below and meet the applicable age *or* mileage threshold, whichever comes first, are eligible for replacement.

Vehicle Type	Age of Vehicle (in months)	Vehicle Mileage
Vehicles with Gross Vehicle Weight Rating (GVWR) up to 8,500 Pounds		
Law Enforcement Vehicles	60	100,000
Sedans	72	65,000
Mini Vans	96	80,000
Cargo Vans	60	65,000
Pickup Trucks	60	65,000
Sport Utility Vehicles	84	85,000
Vehicles with GVWR of 8,501 – 16,000		
Law Enforcement Vehicles	60	100,000
All Trucks, Vans, and SUVs	72	70,000
Vehicles with GVWR of 16,001 – 26,000		
All Trucks, Vans, and SUVs	132	115,000

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**7. General Plant Additions Category – Communication Equipment Project**

Great Oaks proposes to purchase and install supervisory control and data acquisition system equipment at an average annual budget of \$50,709.<sup>185</sup> The equipment includes replacement batteries, cooling fans, cameras, a radio tower, switches, and modems.<sup>186</sup> Great Oaks states that some of the equipment needs to be upgraded and some of it is anticipated to fail during the GRC period.

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<sup>185</sup> Application, Exhibit G, Proposed Capital Projects, D.5. General Plant Additions (July 1, 2024) at 5. Average annual budget calculated using Application, Updated Exhibit E workpapers, tab WP19, Cells K18-M18.

<sup>186</sup> Attachment 26: Great Oaks’ response to Cal Advocates’ data request DG-013, Q.3., Attachment 1 (August 22, 2024).



1           **F.     General Plant Additions Category - Structures and**  
2           **Improvements – Battery Backup Project Memorandum**  
3           **Account Request**

4           The Commission should not authorize Great Oaks’ request for a new  
5 memorandum account to track expenses for Great Oaks to install a backup battery system  
6 for its electric grid.<sup>187</sup> During the period 2019 to 2023, Great Oaks has not experienced  
7 any short-term electricity outages or any extreme events that have interrupted water  
8 service, which would require a backup battery to provide electricity.<sup>188</sup> In the event of a  
9 future power outage, Great Oaks owns eight backup generators which it can use to  
10 provide temporary power to its system.<sup>189</sup> Great Oaks provided a study to support its  
11 proposed memorandum account request. However, the final project details and cost are  
12 unknown because Great Oaks has not yet finalized them, and it does not know whether it  
13 will receive grant funding for the project.<sup>190,191</sup>

14           Great Oaks states that the backup battery would provide electricity during  
15 emergencies or as a load-reduction to California’s electric grid during extreme weather  
16 events.<sup>192</sup> However, Great Oaks has not justified the need for the project in this GRC,  
17 and it does not qualify for the memorandum account treatment as outlined in the CPUC’s  
18 Standard Practice U-27-W. The Standard Practice U-27-W states that memorandum

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<sup>187</sup> Application, Exhibit G, Proposed Capital Projects, D.1. General Plant Additions (July 1, 2024) at 3.

<sup>188</sup> Attachment 29: Great Oaks’ response to Cal Advocates’ data request JBQ-005, Q.1.a., 1.c (July 18, 2024).

<sup>189</sup> Attachment 37: Great Oaks’ response to Cal Advocates’ Data Request DG-019, Q.2., (October 29, 2024)

<sup>190</sup> Attachment 30: Great Oaks’ response to Cal Advocates’ data request JBQ-001, Q.2.d. (June 19, 2024).

<sup>191</sup> On October 21, 2024, the California Water Association announced that it has been selected to receive a \$50 million grant award from the Department of Energy’s Grid Resilience and Innovation Partnerships Program to accelerate electric grid resilience projects in partnership with Generac Project Systems. Great Oaks is a member of the California Water Association. *See* <https://calwaterassn.com/california-water-association-and-generac-awarded-50m-doe-grip-grant-to-bring-clean-energy-resilience-to-ca/>

<sup>192</sup> Application, Exhibit G, Proposed Capital Projects, D.1. General Plant Additions (July 1, 2024) at 3.

1 accounts track costs that are “not under the utility’s control”.<sup>193</sup> In comparison, Great  
2 Oaks’ proposed project costs are in the utility’s control. Therefore, the Commission  
3 should not authorize the Battery Backup Project Memorandum Account, as requested.<sup>194</sup>  
4 For detailed information on memorandum accounts, please see Chapter 15 of this report.

5 **G. Compliance with the Commission’s 2023 Decision**  
6 **Regarding Depreciation**

7 Great Oaks complies with the Commission’s 2023 decision to use a term of 30-  
8 years as the depreciation factor for its meters and meter installations, which is beneficial  
9 to ratepayers by reducing revenue requirement.<sup>195</sup> According to the Commission’s  
10 Standard Practice U-4 Total Service Life, a term of 25 to 40 years should be used for the  
11 depreciation of Meters and 25 to 45 years should be used for the depreciation of Meter  
12 Installation assets.<sup>196</sup> Prior to the Commission’s 2023 decision, Great Oaks applied a 15-  
13 year service life to both meters and meter installations.

14 An asset’s Total Service Life is the time, in years, that the asset is expected to be  
15 useful and serving ratepayers. The longer an asset’s Total Service Life, the more time  
16 necessary for the asset to fully depreciate. Therefore, it is less of a burden on ratepayers  
17 when an asset depreciates for a longer period since the amount is recovered from monthly  
18 bills. An estimated useful life less than that specified in Standard Practice U-4-W  
19 increases the depreciation expense and customer rates. Increasing the useful life of  
20 meters consistent with the Commission’s Standard Practice from 15 years<sup>197</sup> to 30 years

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<sup>193</sup> Standard Practice for Processing Rate Offsets and Establishing and Amortizing Memorandum Accounts, U-27-W, Revised (April 16, 2014), at 25.a.

<sup>194</sup> See also Chapter 15 of this report.

<sup>195</sup> D.23-04-004, *Decision Adopting Partial Settlement Agreement, Resolving Remainder of Disputed Issues and Authorizing Great Oaks’ General Rate Increases for 2022-2024* (Apr. 11, 2023) at 17-18.

<sup>196</sup> CPUC Standard Practice U-4-W (January 3, 1961) at 28.

<sup>197</sup> Application, Updated Exhibit E, workpaper, Tab WP24b Cells AO4-AP4 and AR4-AS4.

1 for both Meters and Meter Installations benefits ratepayers because annual depreciation  
2 reduces from approximately \$234,000<sup>198</sup> to \$117,000 and the revenue requirement is  
3 reduced by the \$117,000 difference.

#### 4 **IV. CONCLUSION**

5 To ensure that Great Oaks maintains adequate investment in necessary  
6 infrastructure, the Commission should order Great Oaks to produce a Comprehensive  
7 Asset Management Plan that meets the current industry best practices within six months  
8 of the final decision in this General Rate Case through an Informational-Only Advice  
9 Letter.

10 The Commission should authorize Great Oaks' completed project costs in the  
11 amount of \$2,481,877<sup>199</sup> in the Test Year 2025/2026 because the projects are used and  
12 useful and they provide a service to ratepayers.

13 The Commission should deny Great Oaks' proposed budget of \$24,000<sup>200</sup> in the  
14 Test Year 2025/2026 to complete the Lower Levin Tank Water Circulation Project  
15 because Great Oaks did not justify the proposed budget or define the new project scope.

16 The Commission should adopt Cal Advocates' recommended plant budgets of  
17 \$2,003,752<sup>201</sup> in the Test Year 2025/2026 and \$1,444,453<sup>202</sup> in 2026/2027 because the  
18 investments are critical to maintaining a safe and reliable water supply system.

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<sup>198</sup> Application, Updated Exhibit E, workpaper, Tab WP24b Cells AP162 and AS162.

<sup>199</sup> The total amount of \$2,481,877 includes \$1,939,552 of costs for Well 24A, B, C electrical work for chlorination; Well 24B and Well 24C drilling projects, Well 16 redevelopment, and Well 22 motor replacement, in addition to \$542,325 for the Exterior coating of tanks project. For well projects, refer to Attachment 34: Great Oaks response to Public Advocates Office data request DG-008, Q.1. (July 15, 2024). For exterior coating of tanks, refer to Application Exhibit G (July 1, 2024) and Great Oaks 45-day Application update (August 29, 2024) at 4-5.

<sup>200</sup> Application, 45-day update, Exhibit E workpapers, tab WP18, Cell K35 (August 29, 2024).

<sup>201</sup> Application, 45-day update, Updated Exhibit E workpapers, tab WP20, Cell K24 (August 29, 2024).

<sup>202</sup> Application, 45-day update, Updated Exhibit E workpapers, tab WP20, Cell L24 (August 29, 2024).

1           However, the Commission should not authorize Great Oaks' request for a new  
2 Backup Battery System memorandum account to track expenses associated with the  
3 project because Great Oaks does not justify the project in its Application.

4           Great Oaks complies with the Commission's 2023 decision in which Great Oaks  
5 agreed to use a term of 30-years as the depreciation factor for its meters and meter  
6 installations.<sup>203</sup>

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<sup>203</sup> D.23-04-004 (Apr. 11, 2023) at 17-18.

1 **CHAPTER 11 WATER QUALITY**

2 **I. INTRODUCTION**

3 Great Oaks met all the applicable state and federal drinking water standards  
4 between 2021 and 2023.<sup>204</sup> The State Water Resources Control Board’s Division of  
5 Drinking Water regulates California’s public drinking water systems and oversees a  
6 variety of drinking water related activities.<sup>205</sup> In addition, Great Oaks must submit water  
7 quality information as part of its GRC applications.<sup>206</sup> Great Oaks’ addresses water  
8 quality in its Application Exhibit D, Chapter 3 – Company Operations and Basic  
9 Information.

10 **II. SUMMARY OF RECOMMENDATIONS**

11 The Commission should authorize Great Oaks’ request for its water quality  
12 monitoring compliance budget in the amount of \$190,010 in the Test Year 2025/2026 and  
13 \$97,650 for 2026/2027.<sup>207</sup> This budget is for water quality sampling and testing that is  
14 required by the U.S. EPA and the State Water Resources Control Board.

15 The Commission should also find that Great Oaks met all the applicable water  
16 quality standards and regulations between 2021 and 2023.

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<sup>204</sup> In accordance with the water quality information submitted in response to the Commission’s Minimum Data Requirements, this Application, Great Oaks’ testimony, the most recent Great Oaks State Water Resources Control Board’s Division of Drinking Water inspection reports available, and an engineering appraisal of the Great Oaks system.

<sup>205</sup> [Drinking Water Program | California State Water Resources Control Board, https://www.waterboards.ca.gov/drinking\\_water/programs/](https://www.waterboards.ca.gov/drinking_water/programs/)

<sup>206</sup> See D.07-05-062, *Opinion Adopting Revised Rate Case Plan for Class A Water Utilities*, Appendix 1 Section H: Water Quality (May 24, 2007) at (A-30)

<sup>207</sup> Application, Exhibit D, Results of Operations Report, Ch. 3 (July 1, 2024) at 5.

1 **III. ANALYSIS**

2 **A. Description of Great Oaks’ Service Area**

3 In fiscal year 2023/2024, Great Oaks served 21,421 service connections, which  
4 represents a population of approximately 104,000 in the Blossom Valley, Santa Teresa,  
5 Edenvale, Coyote Valley, and Almaden Valley areas of the City of San Jose.<sup>208</sup> Of the  
6 total metered customers, 96% are residential.<sup>209</sup> Great Oaks supplies water to its  
7 customers from 23 groundwater wells.<sup>210</sup>

8 **B. Compliance With The Agreement Authorized By The**  
9 **Commission’s 2019 Decision to Implement Continuous**  
10 **Systemwide Disinfection Of The Water System**

11 In compliance with the 2019 Decision<sup>211</sup>, Great Oaks implemented continuous  
12 system-wide disinfection in August 2022, which followed the State Water Resources  
13 Control Board’s Division of Drinking Water’s approval of Great Oaks’ Amended  
14 Domestic Water Supply Permit Application in July 2022.<sup>212</sup> Disinfection of drinking  
15 water eliminates bacteria or any microorganism that may be in the water.<sup>213</sup>

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<sup>208</sup> Great Oaks Water Company: [www.greatoakswater.com](http://www.greatoakswater.com).

<sup>209</sup> In 2023/2024, Great Oaks served 20,630 single family and multi-family residential customers and a total of 21,421 customers. Therefore, 20,630 residential customers/21,421 customers = 96% residential customers. Great Oaks Application, Updated Exhibit E workpapers Tab WP11 Cells F12-F13 and F20.

<sup>210</sup> Attachment 31: Great Oaks response to Cal Advocates’ data request DG-002, Attachment 1 (June 14, 2024).

<sup>211</sup> See D.19-09-010, *Decision Adopting Settlement Agreement Concerning the General Rate Case for Great Oaks* (Sept. 19, 2019) at 11; D.19-09-010, *Attachment 1: Settlement Agreement*, Exhibit B: Comparison Chart (Sept. 19, 2019) at 48.

<sup>212</sup> See State Water Resources Control Board, Division of Drinking Water, *Engineering Report In The Matter of the Permit Application from Great Oaks Water Company* (effective July 21, 2022).

<sup>213</sup> [Water Disinfection with Chlorine and Chloramine | Public Water Systems | Drinking Water | Healthy Water | CDC, https://www.cdc.gov/drinking-water/about/about-water-disinfection-with-chlorine-and-chloramine.html](https://www.cdc.gov/drinking-water/about/about-water-disinfection-with-chlorine-and-chloramine.html)

1           Between 2012 and 2018, Great Oaks received four water quality citations from the  
2 State Water Resources Control Board for total coliform maximum contaminant level  
3 exceedances.<sup>214</sup> In each instance, Great Oaks took a reactive approach to ensuring safe  
4 drinking water supply by temporarily disinfecting the system after each State Water  
5 Resources Control Board’s Division of Drinking Water citation as part of its Corrective  
6 Action Plan.<sup>215</sup> The temporary water disinfection actions that were required in response  
7 to each one of the citations emphasized the need for continuous disinfection of the entire  
8 system to avoid repetition of the “reactive” cycle. In its 2018 GRC, Great Oaks agreed to  
9 implement continuous disinfection of the entire system to avoid additional Division of  
10 Drinking Water citations for poor water quality by July 1, 2022, which was the first day  
11 of the Test Year for Great Oaks’ subsequent GRC.<sup>216</sup>

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<sup>214</sup> A.15-07-001 Great Oaks Exhibit 3-6 (July 1, 2015); California Department of Public Health letter to Great Oaks (Water System No. 4310022), Citation No. 02-17-12C-012, *Citation for Noncompliance Maximum Contaminant Level – Total Coliform Bacteria* (Mar. 6, 2012), at 15; A.15-07-001, Great Oaks Exhibit 3-6, California Department of Public Health letter to Great Oaks (Water System No. 4310022), Citation No. 02-17-13C-017, *Citation for Noncompliance Maximum Contaminant Level – Total Coliform Bacteria* (Oct. 14, 2013) at 2. A. 15-07-001, Great Oaks Exhibit 3-6, State Water Resources Control Board, Division of Drinking Water letter to Great Oaks, Citation No. 02-17-15C-014, *Citation for Violation of California Code of Regulations, Title 22, Section 64426.1(b)(1) – Water System No. 4310022* (Apr. 23, 2015) at 1 A.18-07-002, Great Oaks Exhibit 3-6, State Water Resources Control Board, Division of Drinking Water letter to Great Oaks, Citation No. 02\_17\_17C\_001, *Citation for Noncompliance Total Coliform Maximum Contaminant Level Violation California Code of Regulations, Title 22, Section 64426.1(b)(1) – Water System No. 4310022* (Jan. 19, 2017) at 1. Attachment 2-3.

<sup>215</sup> A.15-07-001, *Application of Great Oaks to Increase Rates for Water Service*, Exhibit 3-6 (July 1, 2015); California Department of Public Health letter to Great Oaks (Water System No. 4310022), Citation No. 02-17-12C-012, *Citation for Noncompliance Maximum Contaminant Level – Total Coliform Bacteria* (Mar. 6, 2012) at 15; A.15-07-001 Great Oaks Exhibit 3-6, CDPH letter to Great Oaks (Water System No. 4310022), Citation No. 02-17-13C-017 – *Citation for Noncompliance Maximum Contaminant Level – Total Coliform Bacteria*, dated October 14, 2013, p. 3. A.15-07-001, Great Oaks Exhibit 3-6, Great Oaks Corrective Action Plan for Citation Number 02-17-15C-014, dated May 12, 2015, p. 39. A.18-07-002 Great Oaks Exhibit 3-6, Division of Drinking Water letter to Great Oaks - Citation No. 02\_17\_17C\_001 – *Citation for Noncompliance Total Coliform Maximum Contaminant Level Violation California Code of Regulations, Title 22, Section 64426.1(b)(1) – Water System No. 4310022*, dated January 19, 2017, Corrective Action Plan, February 7, 2017. Attachment 2-2.

<sup>216</sup> See D.19-09-010 (September 19, 2019) at 47-48.

1           **C. Great Oaks Met All State and Federal Water Quality**  
2           **Standards Between 2021 and 2023**

3           **1. Division of Drinking Water Sanitary Survey Report Findings and**  
4           **Recommendations**

5           The State Water Resources Control Board’s Division of Drinking Water’s most  
6 recent Sanitary Survey report for the Great Oaks water system, dated July 27, 2022,  
7 demonstrates that Great Oaks had met all state and federal water quality standards, at the  
8 time.<sup>217</sup> The Division of Drinking Water confirmed that the Great Oaks system provided  
9 a reliable continuous potable water supply to its customers. The State Water Resources  
10 Control Board’s Division of Drinking Water also confirmed that Great Oaks had  
11 complied with all applicable state and federal water quality standards between 2021 and  
12 2023 and complied with its permit provisions.<sup>218</sup>

13           **2. Permit Amendments**

14           The table below summarizes significant permit amendments within the last three  
15 years:

16 **Table 11-1: Significant Permit Amendments since 2021**

Permit No.	Permit Amendment Date	Description
4310022, Permit Amendment No. 5	7/21/2022	Implemented Continuous System-Wide Disinfection
4310022, Permit Amendment No. 6	11/3/2022	Added New Well 24B and 24C to its Groundwater Supply

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<sup>217</sup> State Water Resources Control Board, Division of Drinking Water, *2022 Sanitary Survey Findings for Great Oaks Water System*; Application, Exhibit D, Ch. 3 (Jul. 27, 2022) at 34-36.

<sup>218</sup> State Water Resources Control Board, Division of Drinking Water, *2022 Sanitary Survey Findings for Great Oaks Water System*; Application, Exhibit D, Ch. 3 (July 27, 2022) at 34-36.



1                   **3. Consumer Confidence Report**

2                   During the period 2021 to 2023, Great Oaks complied with California  
3                   Health and Safety Code Section 116470, which requires that every public water  
4                   system prepare a Consumer Confidence Report annually and mail or deliver a  
5                   copy of the report to each customer.<sup>219</sup> The Consumer Confidence Report is based  
6                   on data collected during, or prior to, the previous calendar year and are due to  
7                   customers by July 1 each year.<sup>220</sup> The report summarizes the system’s source  
8                   water, levels of any detected contaminants, compliance with drinking water  
9                   regulations, and educational information.

10                  **D. Compliance with Water Quality Regulations**

11                  The Commission should authorize Great Oaks’ request for \$190,010 for Test Year  
12                  2025/2026 and \$97,650 for 2026/2027 for expenses related to various water quality  
13                  Maximum Contaminant Levels and regulations, discussed below, that may impact Great  
14                  Oaks’ operations.<sup>221 222</sup>

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<sup>219</sup> Water utilities should provide Consumer Confidence Reports to customers by July 1 of each year, according to the California State Water Resources Control Board, Consumer Confidence Report Guidance for Water Suppliers.

<sup>220</sup> See California Health and Safety Code § 116470.

<sup>221</sup> Unless otherwise specified, information on water quality regulations is from Great Oaks Application, Results of Operations Report, Ch. 3, at 5-6 (July 1, 2024).

<sup>222</sup> Also included in Great Oaks requested amounts of \$190,010 for TY 2025/2026 and \$97,650 for 2026/2027 is cost recovery of \$78,630 in TY 2025/2026 and \$15,870 in 2026/2027 for Title 22 monitoring and \$29,600 in 2025/2026 for the Fifth Unregulated Contaminant Monitoring Rule 5). [Fifth Unregulated Contaminant Monitoring Rule | US EPA; https://www.epa.gov/dwucmr/fifth-unregulated-contaminant-monitoring-rule](https://www.epa.gov/dwucmr/fifth-unregulated-contaminant-monitoring-rule), Application, CH 3 (July 1, 2024) at 5.

1                   **1. Compliance With the Lead and Copper Rule**

2                   Great Oaks requests cost recovery of \$1,600<sup>223</sup> for Test Year 2025/2026 for  
3 expenses related to compliance testing every three years. In January 2021, the  
4 U.S. EPA announced the “Lead and Copper Rule Revisions” to which public  
5 water systems must comply with by October 16, 2024.<sup>224</sup>

6                   In December 2023, the U.S. EPA published the proposed “Lead and Copper  
7 Rule Improvements”, which is a “major advancement in protecting children and  
8 adults from the significant, and irreversible, health effects from being exposed to  
9 lead in drinking water.”<sup>225</sup> To comply with the Lead and Copper Rule Revisions,  
10 water systems must provide an initial service line inventory, notification of service  
11 line material, Tier 1 public notification of a lead action level exceedance, and  
12 associated reporting requirements.<sup>226</sup>

13                   Great Oaks provided the State Water Resources Control Board with the  
14 completed service line inventory on October 10, 2024.<sup>227</sup> In addition, Great Oaks  
15 plans to complete the remainder of the applicable Lead and Copper Rule

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<sup>223</sup> Application, Results of Operations Report, Ch. 3, at 5-6 (July 1, 2024).

<sup>224</sup> [2021 Lead and Copper Rule Revision Implementation Fact Sheet \(epa.gov\)](https://www.epa.gov/dwreginfo/information-about-public-water-systems#:~:text=The%20public%20drinking%20water%20systems%20regulated%20by%20EPA,people%20for%20at%20least%2060%20days%20a%20year.); Also see information about Public Water Systems: Information about Public Water Systems | US EPA, <https://www.epa.gov/dwreginfo/information-about-public-water-systems#:~:text=The%20public%20drinking%20water%20systems%20regulated%20by%20EPA,people%20for%20at%20least%2060%20days%20a%20year.>

<sup>225</sup> The EPA finalized the Lead and Copper Rule Improvements, <https://www.epa.gov/ground-water-and-drinking-water/proposed-lead-and-copper-rule-improvements>

<sup>226</sup> [2021 Lead and Copper Rule Revisions Implementation Fact Sheet \(epa.gov\)](https://www.epa.gov/system/files/documents/2024-04/revised-508_lcr-compliance-fact-sheet_4.17.24.pdf), [https://www.epa.gov/system/files/documents/2024-04/revised-508\\_lcr-compliance-fact-sheet\\_4.17.24.pdf](https://www.epa.gov/system/files/documents/2024-04/revised-508_lcr-compliance-fact-sheet_4.17.24.pdf)

<sup>227</sup> Attachment 33: Great Oaks response to Cal Advocates’ data request DG-017, Q.1 (October 15, 2024).

1 Improvements requirements, per the Environmental Protection Agency’s  
2 published schedule.<sup>228</sup>

### 3 **2. Revised Total Coliform Rule**

4 Great Oaks requests cost recovery of \$79,130 for Test Year 2025/2026 for  
5 bacteriological monitoring expenses in each year of this Application related to  
6 compliance testing for revisions made by the U.S. EPA to the Revised Total  
7 Coliform Rule, effective July 1, 2021.<sup>229</sup> <sup>230</sup> The Revised Total Coliform Rule  
8 (Coliform Rule became effective in April 2016.<sup>231</sup> The Coliform Rule revisions  
9 include the new Coliform Treatment Technique that replaces the Total Coliform  
10 Maximum Contaminant Rule and the establishment of a new E. coli Maximum  
11 Contaminant Rule. As required by the Coliform Rule, Great Oaks has already  
12 completed the Bacteriological Sample Siting Plan and submitted it to the State  
13 Water Resources Control Board.<sup>232</sup>

### 14 **3. Per- and Polyfluoroalkyl Substances**

15 In response to the U.S. EPA’s Unregulated Contaminant Monitoring Rule  
16 3, Great Oaks confirmed that Per-and Polyfluoroalkyl substances (PFAS) have not

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<sup>228</sup> Attachment 33: Great Oaks response to Cal Advocates’ data request DG-017, Q.1 (October 15, 2024).

<sup>229</sup> Application Exhibit D, Results of Operations Report, CH 3 (July 1, 2024) at 5 (where Great Oaks requests \$79,130 in each year of this GRC for bacteriological monitoring).

<sup>230</sup> State Water Resources Control Board, SBDDW-20-002, Revised Total Coliform Rule, [Revised Total Coliform Rule | California State Water Resources Control Board, https://www.waterboards.ca.gov/drinking\\_water/certlic/drinkingwater/rtrc.html](https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/rtrc.html).

<sup>231</sup> Revised Total Coliform Rule, [Revised Total Coliform Rule | California State Water Resources Control Board, https://www.waterboards.ca.gov/drinking\\_water/certlic/drinkingwater/rtrc.html](https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/rtrc.html).

<sup>232</sup> A. 21-07-001, *Application of Great Oaks to Increase Rates for Water Service* (July 1, 2021); Attachment 32: Great Oaks’ response to Cal Advocates’ data request DG-005, Q.5.a (July 3, 2024).

1           been detected in its water supply as a result of its 2015 well sampling.<sup>233,234</sup> Great  
2           Oaks is currently waiting for the State Water Resources Control Board’s Division  
3           of Drinking Water to issue new PFAS monitoring rules in response to the April  
4           10, 2024, EPA PFAS Regulations.<sup>235</sup>

#### 5   **IV.   CONCLUSION**

6           The Commission should authorize Great Oaks’ request for water quality  
7           monitoring compliance budget in the amount of \$190,010 in the Test Year 2025/2026 and  
8           \$97,650 for 2026/2027 for Great Oaks to continue to perform water quality sampling and  
9           testing required by the U.S. EPA and State Water Resources Control Board<sup>236</sup>

10          The Commission should also find that Great Oaks met all the federal and state  
11          water quality standards and regulations between 2021 and 2023.

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<sup>233</sup> Attachment 32: Great Oaks’ response to Cal Advocates’ data request DG-005 (July 3, 2024). [Third Unregulated Contaminant Monitoring Rule | US EPA, https://www.epa.gov/dwucmr/third-unregulated-contaminant-monitoring-rule.](https://www.epa.gov/dwucmr/third-unregulated-contaminant-monitoring-rule)

<sup>234</sup> Attachment 32: Great Oaks’ response to Cal Advocates’ data request DG-005. (July 3, 2024).

<sup>235</sup> [Per- and Polyfluoroalkyl Substances \(PFAS\) | US EPA, https://www.epa.gov/pfas](https://www.epa.gov/pfas)

<sup>236</sup> Application, Exhibit D: *Results of Operations Report*, Ch 3 (July 1, 2024) at 5.

1 **CHAPTER 12 RATE BASE**

2 **I. INTRODUCTION**

3 This chapter presents Cal Advocates’ analysis and recommendations for Great  
4 Oaks’ requested rate base in Test Year 2025/2026 and Test Year 2026/2027. Great Oaks  
5 addresses these issues in Exhibit D, Chapter 7, Rate Base. The Rate Case Plan states that  
6 all rate base items are subject to two test years and an attrition year, consistent with D.04-  
7 06-018.<sup>237</sup> Rate base includes items such deferred taxes, utility plant, and allowance for  
8 working cash. Rate base recommendations for Test Year 2025/2026 and Test Year  
9 2026/2027 are based on analysis of Great Oaks’ Application, testimony, workpapers, and  
10 responses to Cal Advocates’ discovery.

11 **II. SUMMARY OF RECOMMENDATIONS**

- 12 1. The Commission should adopt deferred tax deductions of \$2,203,872 in  
13 Test Year 2025/2026 and \$2,138,071 from Great Oaks’s rate base in Test  
14 Year 2026/2027.  
15  
16 2. The Commission should require Great Oaks to use the detailed calculation  
17 of working cash allowance in its rate base.

18 **III. ANALYSIS**

19 **A. Deferred Taxes**

20 The Commission should adopt deferred tax deductions of \$2,203,872 in Test Year  
21 2025/2026 and \$2,138,071 from Great Oaks’s rate base in Test Year 2026/2027. Great  
22 Oaks includes \$-21,614.19 of deferred income taxes in Test Year 2025/2026 expenses  
23 and -\$15,706.12 in Test Year 2026/2027, including as part of the calculation of operating  
24 revenues.<sup>238</sup> This method is incorrect because deferred income taxes are meant to be

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<sup>237</sup> D.04-06-018, *Interim Order Adopting Rate Case Plan* [for Class A Water Companies] (June 6, 2004)

<sup>238</sup> Updated Exhibit E, WP42 – WP42 - Test Year 2025-2026 Smry and WP49- EY 2026-27 & 2027-28

1 treated as a deduction to rate base, per the National Association of Regulatory Utility  
2 Commissioners (NARUC)'s Rate Case and Audit Manual.<sup>239</sup>

3 When asked in a data request why Great Oaks was including deferred taxes in the  
4 calculation of expenses, Great Oaks responded "The deferred income tax expenses were  
5 calculated because there are timing differences between the income tax expense recorded  
6 in the book and the income taxes that were calculated in a tax return and paid to the  
7 IRS...To be consistent with the previously used RO model, Great Oaks included deferred  
8 income tax in the total expenses for Test Year 2025/2026."<sup>240</sup>

9 Great Oaks's method is incorrect because it takes deferred income taxes, which  
10 should be a deduction from rate base and makes them an addition to expenses. This will  
11 add \$21,614.19 to Great Oaks's Test Year 2025/2026 expenses and revenues.  
12 Additionally, the -\$21,614.19 should be added to the deferred tax balance deducted from  
13 Test Year 2025/2026 Rate Base.<sup>241</sup> This will cause an addition to rate base. While this  
14 change will increase revenues by \$23,375.75 in Test Year 2025/2026, it is important to  
15 be accurate and follow the correct methodology.<sup>242</sup> Using the same method will increase  
16 Great Oaks' 2026/2027 revenue requirement by \$16,986.17.<sup>243</sup>

17 The Commission should adopt deferred tax deductions of \$2,203,872 in Test Year  
18 2025/2026 and \$2,138,071 from Great Oaks's rate base in Test Year 2026/2027.

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<sup>239</sup> Page 26 of NARUC's Rate Case and Audit Manual, 2003 (<https://ipu.msu.edu/wp-content/uploads/2017/05/NARUC-Rate-Case-and-Audit-Manual-2003.pdf>).

<sup>240</sup> Attachment 35: Great Oaks' Response to Cal Advocates Office' Data Request PAD-007, October 21, 2024

<sup>241</sup> Updated Exhibit E, WP 31 – Rate Base, Cell M31

<sup>242</sup> \$21,614.19 increase to expenses + \$21,614.19 increase to rate base multiplied by 8.15% rate of return

<sup>243</sup> \$15,706.12 increase to expenses + \$15,706.12 increase to rate base multiplied by 8.15% rate of return

1           **B. Allowance for Working Cash**

2           Working cash allowance is the money Great Oaks recovers from ratepayers in rate  
3 base so investors earn a rate of return on operational cash needs for the company, which  
4 arises from the lag between a utility paying expenses and collecting revenues.<sup>244</sup> The  
5 detailed method of calculating working cash allowance, also known as a lead-lag  
6 analysis, is a study to determine how much working cash a utility may recover from  
7 ratepayers to operate on a day-to-day basis.

8           The primary components of a lead-lag analysis are revenue lag, which is the time  
9 between ratepayers receiving and paying their bills; and expense lag, which is the time  
10 between Great Oaks facing an expense and when the expense is paid. The payment lag is  
11 calculated by the difference between the midpoint of when an expense arises and the date  
12 it is paid.

13           The Commission’s Standard Practice for the “Determination of Working Cash  
14 Allowance” states: “The working cash allowance included in the rate base for major  
15 utilities is normally developed by the *detailed basis*.”<sup>245</sup> There are only 9 Class A Water  
16 Utilities that are regulated by the Commission, out of a total of 93 water utilities.<sup>246</sup> This  
17 puts Great Oaks in the top 10% of all water utilities regulated by the Commission.  
18 Additionally, upon receiving a data request, Great Oaks provided a detailed calculation of  
19 working cash allowance.<sup>247</sup> Great Oaks qualifies as a “major” water utility, and it has the  
20 resources to perform a lead-lag analysis.

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<sup>244</sup> Ghadessi, M. & Zafar, M. (2017). Utility General Rate Case – A Manual for Regulatory Analysts. CPUC Policy & Planning Division (November 13, 2017) at 27.

<sup>245</sup> Attachment 8: Standard Practice U-16-W P. (Mar. 2016) at 1-2.

<sup>246</sup> Attachment 9: California Public Utilities Commission Regulated Water Utilities by Number of Connections (December 16, 2020) at 1.

<sup>247</sup> Attachment 23: Great Oaks Water Company Response to DR PAD-003 Attachment 1 (June 18, 2024).

1           Using the simplified method, Great Oaks requested a working cash allowance of  
2 \$3,545,455.<sup>248</sup> From the data request response using the detailed method and  
3 incorporating the expenses requested by Great Oaks, Cal Advocates calculated a working  
4 cash allowance amount of \$3,245,352.<sup>249</sup> Using the detailed method reduces estimated  
5 rate base for 2025/2026 by \$300,103 and based on a rate of return of 8.15% reduces  
6 revenue requirement by \$24,458. Any other differences are the result of Cal Advocates’  
7 recommendations of different operating expense budgets. The final working cash  
8 allowance amount will be in Table 9-1 of Cal Advocates’ RO Model. The Commission  
9 should require Great Oaks to use the detailed method of calculating working cash  
10 allowance and adopt the working cash allowance figure in Table 9-1 of Cal Advocates’  
11 RO Model because it more accurately Great Oaks’ working cash allowance.<sup>250</sup>

12           **C.     Weighted Average Utility Plant**

13           The Commission should adopt Great Oaks’ methodology for calculating weighted  
14 average utility plant. However, the weighted average utility plant amount recommended  
15 by Cal Advocates is different because of adjustments made in recorded plants and  
16 proposed plants for Test Years 2025/2026 and 2026/2027, as described in the testimony  
17 of Cal Advocates witness Ms. Daphne Goldberg.

18           **D.     Depreciation Reserve**

19           The Commission should adopt Great Oaks’ methodology to calculate weighted  
20 average depreciation reserve. However, differences in plant recommendations between  
21 Great Oaks and Cal Advocates’ witness Ms. Daphne Goldberg will lead to a different  
22 recommended weighted average depreciation reserve amount.

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<sup>248</sup> Exhibit E, GRC Workpapers, WP31 - Rate Base, Cell L39 (July 1, 2024).

<sup>249</sup> Attachment 23: Great Oaks Water Company Response to DR PAD-003 Attachment 1, Cell D113 (June 18, 2024).

<sup>250</sup> Attachment 36: Summary and Tables of Cal Advocates’ Results of Operation Model (RO Model Tables)



1 **IV. CONCLUSION**

2           The Commission should require Great Oaks to use the detailed method of  
3 calculating working cash allowance and it should adopt Cal Advocates' projected rate  
4 base in Test Year 2025/2026 and Test Year 2026/2027, as presented in Table 9-1 of Cal  
5 Advocates' RO Model.

1 **CHAPTER 13 CONSERVATION**

2 **I. INTRODUCTION**

3 This chapter presents Cal Advocates’ analyses and recommendations regarding  
4 Great Oaks’ conservation budget, which funds its WaterSmart Program’s costs.<sup>251</sup> The  
5 customers who are enrolled in the program receive reports that compare their water usage  
6 to the usage of their neighbors and have historically reduced their water consumption.<sup>252</sup>  
7 <sup>253</sup> As of July 24, 2024, there were 21,041 customers in the program, which includes a  
8 control group of 5,000 which previously weren’t enrolled.<sup>254</sup><sup>255</sup> Great Oaks requests a  
9 total budget of \$132,000 for Test Year (TY) 2025/2026.<sup>256</sup> Great Oaks addresses these  
10 issues in Exhibit D, chapter 4, Water Sales Forecast and chapter 9, Conservation and  
11 Efficiency.

12 **II. SUMMARY OF RECOMMENDATIONS**

13 The Commission should authorize \$127,039 for Great Oaks’ conservation and  
14 WaterSmart Program budget for TY 2025/2026, based on the average change of  
15 historical cost amounts instead of Great Oaks’ proposed budget amount of \$132,000. See  
16 Table 13-1, below:

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<sup>251</sup> Attachment 19, Great Oaks’ Response to Cal Advocates Data Request (DR) HMC-001, Question 12. Since the entire conservation budget consists entirely of the WaterSmart Program budget, the term “WaterSmart Program” will be used to refer to the entire conservation budget. (July 21, 2024)

<sup>252</sup> 4. Exhibit D - CHAPTER 4 Water Sales Forecast, Chapter 4-5 and CHAPTER 9 Conservation and Efficiency (4124588.1), Chapter 9-2 (July 1, 2024).

<sup>253</sup> A.21-07-001, Great Oaks’ Response to Cal Advocates DR CR8-005, Question 1.

<sup>254</sup> Attachment 20: Great Oaks’ Response to Cal Advocates DR HMC-004, at Q.1.d (July 30, 2024).

<sup>255</sup> Attachment 20: Great Oaks’ Response to Cal Advocates DR HMC-004, at Q.1.a (July 30, 2024).

<sup>256</sup> Exhibit D - CHAPTER 9 Conservation and Efficiency (4124588.1), Chapter 9-2 (July 1, 2024).

**Table 13-1: Comparison of TY WaterSmart Budgets**

Test Year	Cal Adv Recommended	Great Oaks Requested	Cal Adv > Great Oaks
2025/2026	\$127,039	\$132,000	(\$4,961)

**III. ANALYSIS**

Through the WaterSmart Program, customers receive a Water Report with information about their actual water use, how it compares to similar water users, suggestions for conserving water, and whether a leak has been detected.<sup>257</sup> Great Oaks’s proposed \$132,000 budget amount is a 2% decrease from the previously-authorized program amount of \$134,650, and it is a 6% increase from the 2024/2025 WaterSmart Program final, invoiced amount of \$124,665.38. Great Oaks claims that the increase is only 5%.<sup>258 259 260</sup> Great Oaks’ forecasted total Fiscal Year (FY) program costs are shown below in Table 13-2 compared with Cal Advocates’ recommendation.

**Table 13-2: Great Oaks’ WaterSmart Program Cost Request<sup>261</sup>**

Fiscal Year	Cal Adv’s Recommended	Great Oaks’ Requested	Cal Adv compared to Great Oaks	% Difference
2025/2026	\$127,039	\$132,000	(\$4,961)	-3.8%
2026/2027	\$129,413	\$134,772	(\$5,359)	-4.0%
2027/2028	\$131,787	\$137,939	(\$6,152)	-4.5%
<b>TOTAL</b>	<b>\$388,239</b>	<b>\$404,711.00</b>	<b>(\$16,472)</b>	<b>-4.1%</b>

<sup>257</sup> Exhibit D - CHAPTER 9 Conservation and Efficiency (4124588.1), Chapter 9-2 (July 1, 2024).

<sup>258</sup> Exhibit D - CHAPTER 9 Conservation and Efficiency (4124588.1), Chapter 9-2 (July 1, 2024).

<sup>259</sup> Attachment 21: Great Oaks’ Response to Cal Advocates DR HMC-002, at Q.1 (July 18, 2024).

<sup>260</sup> Based on applying the 5% of CPI-U (Consumer Price Index for All Urban Consumers) for services and consumer-related items found in the March 2024 Escalation Memo.

<sup>261</sup> Exhibit D - CHAPTER 9 Conservation and Efficiency (4124588.1), Chapter 9-2 (July 1, 2024).

1           **A. Per Quantity Prices**

2           Great Oaks provided the WaterSmart Program costs from its current contracts in  
3 their response to DR HMC-001.<sup>262</sup> Table 13-3 summarizes the per quantity costs from  
4 Great Oaks' current contract.

5           **Table 13-3: Great Oaks' Current WaterSmart per Quantity Costs**

<b>Fiscal Year</b>	<b>Printing</b>	<b>Email<sup>263</sup></b>	<b>Platform</b>
2023/2024	\$1.03	\$20,000	\$1.78
2024/2025	\$1.06	\$20,000	\$1.79

6           In the previous General Rate Case (GRC) proceeding, A.21-07-001, the  
7 Commission authorized Great Oaks the following per quantity costs for the WaterSmart  
8 Program.

9           **Table 13-4: Great Oaks' Previous WaterSmart per Quantity Costs<sup>264</sup>**

<b>Fiscal Year</b>	<b>Printing</b>	<b>Email</b>	<b>Platform</b>
2022/2023	\$1.00	\$20,000	\$1.75
2023/2024	\$1.03	\$20,000	\$1.78
2024/2025	\$1.06	\$20,000	\$1.81

10           A cost trend can be established using these historical amounts, showing the  
11 average change in quantity costs. Table 13-5 summarizes the average change per  
12 quantity costs per year for the WaterSmart Program.

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<sup>262</sup> Attachment 19: Great Oaks' Response to DR HMC-001 Attachment 6 (July 21, 2024).

<sup>263</sup> The email expense is fixed for an unlimited number of reports sent.

<sup>264</sup> D.23-04-004, *Decision Adopting Partial Settlement Agreement, Resolving Remainder of Disputed Issues and Authorizing Great Oaks Water Company's General Rate Increases For 2022-2024*, at 12.

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**Table 13-5: Great Oaks’ Previous WaterSmart per Quantity Costs**

ITEM	PREVIOUS GRC (A.21-07-001)					CURRENT GRC			AVERAGE CHANGE
	2022/ 2023	DIFF	2023/ 2024	DIFF	2024/ 2025	2023/ 2024	DIFF	2024/ 2025	
Print Reports	\$1.00	\$0.03	\$1.03	\$0.03	\$1.06	\$1.03	\$0.03	\$1.06	\$0.03
Platform	\$1.75	\$0.03	\$1.78	\$0.03	\$1.81	\$1.78	\$0.01	\$1.79	\$0.02

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Using the average change to estimate the WaterSmart Program costs is the most accurate method because it is based on historical amounts. In contrast, Greak Oaks’ estimate is based on escalating previous program cost and estimate amounts. This “escalation” approach does not consider the historical trends, and it is less accurate. For example, if the Great Oaks’ escalation approach were to be applied, the total revenue requirement for Great Oaks would increase, which would lead to higher than necessary rates for the customers. Therefore, the Commission should adopt Cal Advocates’ estimated budget of \$127,039 for the WaterSmart Program, which is based on the average change of historical amounts (instead of the Great Oaks’ estimate, which is based on escalating previous amounts).

13 **IV. CONCLUSION**

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For TY 2025/2026, the Commission should adopt the estimate of \$127,039 for Great Oaks’ conservation budget, which is its “WaterSmart Program budget.” This estimate is based on the average change of historical amount as opposed to Great Oaks’ proposed amount of \$132,000.

1 **CHAPTER 14 RATE DESIGN**

2 **I. INTRODUCTION**

3 A well-designed rate structure collects authorized revenues and achieves state  
4 policy. This includes the promotion of conservation and the affordability and equity of  
5 water rates for all customers, especially lower and middle-income residents who are  
6 enrolled in the Customer Assistance Program (CAP). This chapter presents the analysis  
7 and recommendations for Great Oaks’ rate design and CAP program. Great Oaks  
8 addresses these issues in Exhibit D, chapter 4, Water Sales Forecast.

9 **II. SUMMARY OF RECOMMENDATIONS**

10 The Commission should adopt the following recommendations concerning rate  
11 design and the CAP program:

- 12 • The ratio of recovering 100% of fixed costs from meter charges so that  
13 meter charges are 41% of Revenue Requirement and Quantity Charges are  
14 59%; and
- 15 • The meter service charge amounts recommended in Table 14-2; and
- 16 • The recommended bi-monthly tier breakpoints for residential customers in  
17 Table 14-3; and
- 18 • The quantity charge per Tier as detailed in Table 14-10; and
- 19 • The CAP credit/discount and surcharge which are based on Cal Advocates’  
20 revenue neutral proposed rate design

21 **III. Analysis**

22 A well-constructed rate design aligns the costs of operating a water system  
23 equitably across all its customers. The following is Cal Advocates’ analysis and  
24 recommendations for Great Oaks’ rate design.

1           **A.     Revenue Recovery: Meter Charges vs. Quantity Charges**

2           Great Oaks’ rates are designed to collect 75% of fixed costs through the monthly  
3 meter charge. 25% of fixed costs and all variable costs are currently recovered through  
4 the quantity charge.<sup>265</sup> Also, Great Oaks currently collects 35% of its revenue  
5 requirements from meter charges and 65% of revenue requirements from quantity  
6 charges.

7           Great Oaks proposes a new rate design that will recover 100% of fixed costs  
8 through the monthly meter charge and 100% of variable costs through the quantity  
9 charge.<sup>266</sup> Under these new proposals, Great Oaks would collect 34% of its revenue  
10 requirements from meter charges and 66% of revenue requirements from quantity  
11 charges.

12           Allowing 100% of Great Oaks’ fixed costs to be captured in the meter charge  
13 produces a result similar to the average Class A water utility’s ratio of fixed (i.e. meter)  
14 versus variable charges. Because of lower revenue requirements per person, both the  
15 meter charges and quantity rates under Great Oaks’ proposal are lower than other Class A  
16 water utilities in the area.<sup>267 268 269</sup> Furthermore, the split of 41% of total from meter  
17 charges and 59% from quantity charges still helps promote conservation. Therefore, the  
18 Commission should adopt Great Oaks’ request to collect 100% of fixed costs through the  
19 monthly meter charge.

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<sup>265</sup> 4. Exhibit D - CHAPTER 4 Water Sales Forecast, at 13.

<sup>266</sup> 4. Exhibit D - CHAPTER 4 Water Sales Forecast, at 13.

<sup>267</sup> <https://www.sjwater.com/sites/default/files/2024-06/Schedule%201%20AL610A%20July%202024.pdf>

<sup>268</sup> <https://www.amwater.com/caaw/resources/PDF/Customer-Service-Billing/Rates-AL/Monterey/Monterey%20Rate%20Schedule%20SF.pdf>

<sup>269</sup>

[https://www.calwater.com/docs/rates/rates\\_tariffs/las/20240501\\_Residential\\_Metered\\_Service\\_LAS.pdf](https://www.calwater.com/docs/rates/rates_tariffs/las/20240501_Residential_Metered_Service_LAS.pdf)

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**Table 14-1: Revenue Recovery Charges**

<b>Revenue Recovery</b>	<b>Cal Advocates Recommended</b>	<b>Great Oaks Requested<sup>270</sup></b>
Fixed Charges	41%	34%
Variable Charges	59%	66%

**B. Meter Service Charge**

The Commission’s Standard Practice (SP) U-7-W for water utility rate design reflects industry standards which set fixed rates for different sized water service connections.<sup>271</sup> Although the actual rates charged by a water utility may vary based on the cost of service, the ratio of any given meter charge to the smallest meter charge is defined by engineering calculations and does not vary per industry standards. As meter size increases, the proportional increase in charges recognizes the increased capabilities, as well as potential demands and costs of the service.

Table 14-2 below shows a comparison of Great Oaks’ current monthly meter charges, proposed monthly meter charges for TY 2025/2026, and this report’s recommended monthly meter charges for TY 2025/2026. Both Cal Advocates and Great Oaks utilize the meter ratio set in Commission’s SP U-7-W. Differences are the result of different estimated Revenue Requirements.

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<sup>270</sup> Great Oaks Water Company GRC Workpapers – 2024, WP47 - TY 2025-2026 Unifrm Rate, Cells I46, I47, and I48.

<sup>271</sup> SP U-7-W, Item No. 7 (July 2006) at 5.



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**Table 14-2: Meter Service Charges Comparison**

Meter Size / Service Connection	Cal Adv Recommended Rates	Great Oaks' Requested Rates
5/8"	\$19.48	\$20.58
0.75"	\$29.22	\$30.87
1"	\$48.70	\$51.46
1.5"	\$97.40	\$102.91
2"	\$155.84	\$164.66
3"	\$292.21	\$308.73
4"	\$487.02	\$514.55
6"	\$974.03	\$1,029.10
8"	\$1,558.45	\$1,646.56
10"	\$2,240.27	\$2,366.93
12"	\$3,214.30	\$3,396.03

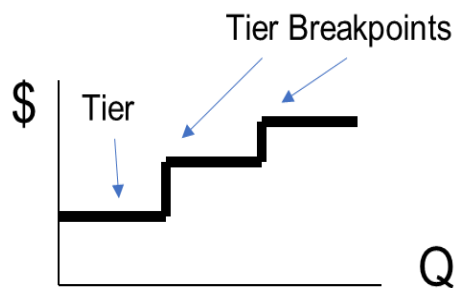
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3 **C. Residential Customer Rate Design**

4 The residential customer class comprises about 96% of all Great Oaks' customers  
5 and has a conservation increasing block rate design comprised of three tiers. Figure 14-1  
6 below shows an illustrative example of an increasing block rate design.

7

**Figure 14-1: Example of Three Tier Increasing Block Rate Design**



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1 Great Oaks bases its rate design on continuing the same design structure (i.e. tiers,  
2 tier breakpoints, etc.) established in the decision from its previous GRC.<sup>272</sup> <sup>273</sup> Great  
3 Oaks states that the rate design adopted in the previous GRC has reduced the under-  
4 collection amount booked in the Monterey-style Water Revenue Adjustment Mechanism  
5 (M-WRAM) but that the under-collection amount is still slowly building.<sup>274</sup> The focus of  
6 this report is on developing revenue neutral rate designs (with no over or under-  
7 collection).<sup>275</sup> This includes residential tier rates based on the actual water consumption  
8 patterns of the last recorded twelve months (July 2023 to June 2024), and the 6 CCFs per  
9 month that the Commission has established as the necessary quantity for basic service.

#### 11 4. Tier Break Points

12 To develop Cal Advocates’ tier breakpoints per service area, the percentage  
13 of all residential customers that use 6 CCF of water per month or less is calculated  
14 and then the percentages for subsequent tiers based on the last recorded twelve  
15 months of water usage (July 2023 to June 2024) is determined.<sup>276</sup>

16 The table below compares Cal Advocates’ recommended and Great Oaks’  
17 proposed bi-monthly tier breakpoints and water consumption ratios per tier. As  
18 seen in the table, Great Oaks’ proposed tier breakpoints do conform to the  
19 Commission’s guidance on the necessary water quantity for basic service, and they  
20 reflect a reasonable distribution of anticipated water usage across tiers.<sup>277</sup>

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<sup>272</sup> 4. Exhibit D - CHAPTER 4 Water Sales Forecast, at 4 and 8.

<sup>273</sup> D.23-04-004, *Decision Adopting Partial Settlement Agreement, Resolving Remainder of Disputed Issues and Authorizing Great Oaks’ General Rate Increases for 2022-2024* (Apr. 11, 2023).

<sup>274</sup> 4. Exhibit D - CHAPTER 4 Water Sales Forecast, at 4 and 5.

<sup>275</sup> Revenue neutral rate design is achieved when the utility collects the same amount of revenue with multiple quantity rates as it would collect under a single quantity rate, as indicated in the sales forecast.

<sup>276</sup> Attachment 19: analysis of Great Oaks’ monthly residential usage data provided in excel spreadsheet by Great Oaks in response to Cal Advocates’ data request HMC-001, Question 1.

<sup>277</sup> D.20-07-032 *Decision Adopting Metrics and Methodologies for Assessing the Relative Affordability of Utility Service*, Findings of Fact No. 12 (July 22, 2020) (which states: “The 600 cubic feet per household

1 **Table 14-3: Bi-Monthly Tier Breakpoints and Consumption Ratios**

Tier	Cal Advocates Recommended	Cal Adv Actual Consumption Ratio	Great Oaks Proposed <sup>278</sup>	Great Oaks Actual Consumption Ratio
1	0 to 12 CCF	61.24%	0 to 12 CCF	61.24%
2	13 to 20 CCF	19.70%	13 to 20 CCF	19.70%
3	Over 20 CCF	19.05%	Over 20 CCF	19.05%

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4 **5. Tier Rates**

5 Great Oaks assigns a percentage of the standard quantity rate (SQR) for  
6 each tier in its rate design. The SQR is the average rate necessary to collect the  
7 estimated volumetric revenue. The SQR is calculated as the amount of volumetric  
8 revenue to be collected, divided by the total estimated consumption.

9 The Great Oaks' SQR percentages per tier are shown in the following table:

10 **Table 14-4: Percentage of SQR<sup>279</sup>**

Tier	SQR %
1	71.1%
2	122.7%
3	145.7%

11  
12 The table below shows the results of Great Oaks' proposed rate design but  
13 using the actual water consumption patterns of the last recorded twelve months  
14 (July 2023 to June 2024).<sup>280</sup>

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per month figure for essential water usage aligns with essential water service amounts under development by other state agencies.”). See also D.20-07-032 (July 22, 2020) at 22.

<sup>278</sup> Great Oaks Water Company GRC Workpapers – 2024, WP48 - TY 2025-2026 Cnsrv Rates, Cells C16, C17, and C18.

<sup>279</sup> Great Oaks Water Company GRC Workpapers – 2024, WP48 - TY 2025-2026 Cnsrv Rates, Cells D16, D17, and D18.

<sup>280</sup> It is noteworthy that while total consumption might fluctuate from year to year, the distribution pattern

**Table 14-5: Great Oaks Requested Bi-Monthly (using application amounts)**

Tier	Breakpoints	% Usage	Rate <sup>281</sup>	Portion
Tier 1	0-12	61.24%	\$3.4287	\$2.0999
Tier 2	13-20	19.70%	\$5.9171	\$1.1659
Tier 3	>20	19.05%	\$7.0262	\$1.3386
<b>TOTAL</b>				\$4.6044
SQR				\$4.8224

Great Oaks’ proposed rate design results in an under-collection of volumetric revenues as acknowledged by Great Oaks in their application.<sup>282</sup> Great Oaks’ proposed rate design will differ from the estimated total revenue requirement allocated to residential customers by the per-CCF amount shown in the following table:

**Table 14-6: Great Oaks’ Over/Under Collection (using application amounts)**

Customer Class	Per CCF Under Collection
Residential	(\$0.2180)

Great Oaks’ rate design proposal is not revenue neutral because the proposal undercharges the third-tier water rates for the high water use residential customers and causes an under collection of authorized revenue requirements for the residential customer class. Great Oaks’ M-WRAM captures any under collection of the tiered revenue requirement and later through surcharges will recover the lost revenue from residential customers, including those who never use water in the third tier.

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of usage is relatively stable.

<sup>281</sup> Great Oaks Water Company GRC Workpapers – 2024, WP48 - TY 2025-2026 Cnsrv Rates, Cells E16, E17, and E18.

<sup>282</sup> 4. Exhibit D - CHAPTER 4 Water Sales Forecast, at 4 and 5.

1 To achieve revenue neutrality using Great Oaks’ proposed SQR, the  
2 Commission should adopt the rate structure parameters as shown in Table 14-7.  
3 The only difference between Great Oaks' proposed rate design structure and Cal  
4 Advocates’ is Cal Advocates’ higher rate (because of a higher percentage of the  
5 SQR) in the third tier.

6 **Table 14-7: Cal Advocates Proposed Rate Structure per Tier**

Tier	Tier Parameters
1	71.1% of SQR
2	122.7% of SQR
3	169.4% of SQR (Goal Seek) <sup>283</sup>

7  
8 Increasing the third tier rate for residential customers prevents the water  
9 cost of the more affluent users who consume water in the third tier from being  
10 borne through surcharges by the customers who use less water (i.e., low-income  
11 customers).<sup>284</sup> The following table shows Cal Advocates’ TY 2025/2026 proposed  
12 rate design using Great Oaks’ proposed SQR (based on Great Oaks’s proposed  
13 revenue requirement, consumption forecast, fixed meter charge revenue recovery,  
14 etc.) and the actual water consumption patterns of the last recorded twelve months.  
15 The result confirms revenue neutrality since the total rate of the recommended rate  
16 design equals the SQR and, thus, solves the under-collection issue mentioned by  
17 Great Oaks in its application.

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<sup>283</sup> The “Goal Seek Function” in Microsoft Excel (often referred to as What-if-Analysis) is a method of solving for a desired output by changing an assumption that drives it. In the case of rate design, this function is used to ensure revenue neutrality by having the SQR as the basis.

<sup>284</sup> Approximately 19% of Great Oaks’ single-family residential customers are participants in Great Oaks’ low-income Customer Assistance Program (CAP).

1 **Table 14-8: Cal Advocates Recommended Bi-Monthly (using application amounts)**

Tier	Breakpoints	% Usage	Rate	Portion
Tier 1	0-12	61.24%	\$3.4287	\$2.0999
Tier 2	13-20	19.70%	\$5.9171	\$1.1659
Tier 3	>20	19.05%	\$8.1704	\$1.5566
<b>TOTAL</b>				\$4.8224
SQR				\$4.8224

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3 Table 14-9 below compares differences only due to rate designs. As seen  
4 in this table, Cal Advocates’ recommended rate design achieves revenue  
5 neutrality, and results in the same rate for TY 2025/2026 compared to the average  
6 bi-monthly residential customer bill using Great Oaks’ application amounts.

7 **Table 14-9: Great Oaks Average Bi-Monthly Bill Comparison (using application amounts)**

Customer Class	Average Bi-Monthly Residential Customer Usage	At Cal Advocates Recommended Rates	At Great Oaks Requested Rates	Cal Adv < Great Oaks % Change
Residential	20 CCF	\$150.42	\$150.42	0%

\*Based on a residential customer.  
Excludes applicable surcharges and CPUC fees.

8  
9 Using Cal Advocates’ recommended revenue requirement and the actual  
10 water consumption patterns of the last recorded twelve months (July 2023 to June  
11 2024), the following table shows the TY 2025/2026 revenue neutral residential  
12 rate design.

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**Table 14-10: Cal Advocates Proposed Bi-Monthly**

Tier	Breakpoints	% Usage	Rate	Portion
Tier 1	0-12	61.24%	\$2.2582	\$1.3830
Tier 2	13-20	19.70%	\$3.8970	\$0.7679
Tier 3	>20	19.05%	\$5.3811	\$1.0252
<b>TOTAL</b>				\$3.1761
SQR				\$3.1761

Table 14-11 shows the average bi-monthly bill comparison for TY 2025/2026 based on Cal Advocates’ recommended revenue neutral rate design and with Cal Advocates’ recommended revenue requirement to that of the average monthly residential customer bill using Great Oaks’s application amounts and excluding applicable surcharges and CPUC fees.

**Table 14-11: Average Bi-Monthly Bill Comparison**

Customer Class	Average Bi-Monthly Residential Customer Usage	At Cal Advocates Recommended Rates	At Great Oaks Requested Rates	Cal Adv < Great Oaks % Change
Residential	20 CCF	\$116.72	\$150.42	-22.4%

\*Based on a residential customer.  
Excludes applicable surcharges and CPUC fees.

Cal Advocates’ recommended tiered rate design is more equitable, provides relief to residential customers, maintains intended conservation signals, and rate neutrality as opposed to Great Oaks’ proposed rate design. Ensuring that low-income and low-use customers do not subsidize the usage of more affluent customers.

1                   **6. Customer Assistance Program**

2                   Great Oaks’ Customer Assistance Program (CAP) has 3,812 participants as  
3 of March 31, 2024.<sup>285</sup> Great Oaks’ CAP program provides a 50% discount to the  
4 monthly service charge for customers that qualify on an income qualifying  
5 basis.<sup>286 287</sup> Great Oaks imposes a per CCF surcharge on customers that are not  
6 enrolled in the program across all customer classes to fund the discount provided  
7 to CAP customers.<sup>288</sup> Great Oaks requests to increase this surcharge amount from  
8 \$0.1372 to \$0.1643.<sup>289 290</sup>

9                   **Table 14-12: Great Oaks Requested TY CAP Surcharge Calculations**

<b>Meter Size</b>	<b>Monthly Charge</b>	<b>50% Discount</b>	<b>Yearly Discount</b>	<b>Participants</b>	<b>Totals</b>
5/8”	\$20.58	\$10.29	\$123.48	1,177	\$145,335.96
¾”	\$30.87	\$15.44	\$185.28	2,600	\$481,728.00
1”	\$51.46	\$25.73	\$308.76	26	\$8,027.76
1.5”	\$102.91	\$51.46	\$617.52	9	\$5,557.68
			Total CAP Amount		\$640,649.40
			Non-CAP sales		3,899,335
			CAP Surcharge per CCF		\$0.1643

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<sup>285</sup> Attachment 19: Great Oaks’ Response to Cal Advocates’ data request HMC-001, Question 6.

<sup>286</sup> Qualification is based on eligibility for Pacific Gas and Electric’s (“PGE”) California Alternative Rates for Energy program (“CARE”).

<sup>287</sup> Great Oaks CAP Rule No. 22, [https://greatoakswater.com/TariffPDFs/Great Oaks\\_Rule22.pdf](https://greatoakswater.com/TariffPDFs/Great%20Oaks_Rule22.pdf).

<sup>288</sup> Attachment 19: Great Oaks’ Response to Cal Advocates Data Request HMC-001, Question 7.

<sup>289</sup> 4. Exhibit D - CHAPTER 4 Water Sales Forecast, at 14.

<sup>290</sup> Application (July 1, 2024) at 23.



1           The Commission should adopt the CAP surcharge calculation below, which  
 2           is based on Cal Advocates’ recommended revenue requirement and proposed  
 3           revenue neutral (with no over or under-collection) rate design.

4                                   **Table 14-13: Recommended TY CAP Surcharge Calculations**

<b>Meter Size</b>	<b>Monthly Charge</b>	<b>50% Discount</b>	<b>Yearly Discount</b>	<b>Participants</b>	<b>Totals</b>
5/8”	\$19.48	\$9.71	\$116.57	1,177	\$137,572.08
¾”	\$29.22	\$14.57	\$174.86	2,600	\$455,846.33
1”	\$48.70	\$24.29	\$291.43	26	\$7,597.44
1.5”	\$97.40	\$48.57	\$582.85	9	\$5,259.77
			Total CAP Amount		\$606,275.62
			Non-CAP sales		3,277,204 CCF <sup>291</sup>
			CAP Surcharge per CCF		\$0.1850

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 6           The Commission should adopt Cal Advocates’ CAP credits/discounts and  
 7           surcharges which are based on this report’s revenue neutral proposed rate design  
 8           and achieve the balance between total collection and total discount.

9           The following Tables 14-14 and 14-15 show the bill decreases under the  
 10          proposed rate design and CAP recommendations on the average non-CAP and  
 11          CAP residential customer bills:<sup>292</sup>

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<sup>291</sup> Great Oaks’ Response to Cal Advocates DR HMC-005, Attachment 4, Question 1. This is the Non-CAP 2023/2024 sales total, found by subtracting the provided CAP sales from the total FY sales in *Updated Exhibit E GRC Workpapers*, tab “WP3 – Water Sales CCF”.

<sup>292</sup> Great Oaks’ Response-Cal Advocates DR HMC-001 at Q.3 and Q4.

1

**Table 14-14: Non-CAP Average Monthly Bill**

<b>Average Monthly Bill Non-CAP</b>			
<b>Customers</b>	<b>Cal Adv Recommended</b>	<b>Great Oaks Requested</b>	<b>Great Oaks&gt; Cal Adv</b>
Non-CAP	\$120.42	\$152.95	\$32.54

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**Table 14-15: CAP Average Monthly Bill**

<b>Average Monthly Bill CAP</b>			
<b>Customers</b>	<b>Cal Adv Recommended</b>	<b>Great Oaks Requested</b>	<b>Great Oaks&gt; Cal Adv</b>
CAP	\$87.50	\$119.04	\$31.54

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Under Cal Advocates’ recommendations and based upon the CAP discounts, CAP customers will receive additional rate relief than the average residential user. These recommendations are consistent with the Commission’s Environmental and Social Justice Action Plan (ESJ Plan), specifically goal number three, to strive to improve access to high-quality water for ESJ communities.<sup>293</sup>

#### 10 **IV. CONCLUSION**

11 The Commission should adopt the following recommendations concerning rate  
12 design and the CAP program:

- 13 • The ratio of recovering 100% of fixed costs from meter charges so that  
14 meter charges are 41% of Revenue Requirement and Quantity Charges are  
15 59%; and
- 16 • The meter service charge amounts recommended in Table 14-2; and

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<sup>293</sup> CPUC *ESJ Action Plan*, Version 2.0 (Apr. 7, 2022) at 23.

- 1
- The recommended bi-monthly tier breakpoints for residential customers in
- 2 Table 14-3; and
- The quantity charge per Tier as detailed in Table 14-10; and
- 3
- The CAP credit/discount and surcharge which are based on Cal Advocates'
- 4 revenue neutral proposed rate design.
- 5
- 6

1           **CHAPTER 15 BALANCING AND MEMORANDUM ACCOUNTS**

2   **I.     INTRODUCTION**

3           This chapter addresses Great Oaks’ requests related to its Balancing and  
4 Memorandum Accounts (BAMAs) and any requests for action related to those accounts.  
5 Great Oaks addresses these issues in its application document between pages 10-13, in  
6 Exhibit G, and Exhibit D- Chapter 5. As of July 1, 2024, Great Oaks has 18 BAMAs with  
7 a net over-collection of \$426,380.<sup>294</sup> In this GRC Application, Great Oaks also requests  
8 the creation of a new BAMA.

9           A memorandum account is an accounting device that, after approval by the  
10 Commission or upon statutory notice, may be used by an Investor-Owned Utility (IOU)  
11 to record various expenses it incurs. A balancing account is a regulatory accounting  
12 method used to ensure the recovery in rates of specified expenditures authorized by the  
13 Commission.

14           A balancing account can also be explained as a deferred debit account carried on  
15 an IOU’s accounting records. The IOU can initiate a request to the Commission to  
16 amortize any recorded expenses and the Commission can order the IOU to transfer and  
17 amortize the approved balance. Public Utilities Code Section 792.5 requires the  
18 Commission to review the balancing accounts.

19           Even though Great Oaks’ total BAMA balance results in a net overcollection as of  
20 July 1, 2024, the vast majority of these BAMAs result in surcharges, with only a few  
21 exceptions. The proliferation of BAMAs increase ratepayer bills through surcharges,  
22 which are not reflected in the rate increases proposed in GRCs, and therefore should be  
23 referred to as “surcharge accounts.” The proliferation of surcharge accounts complicates

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<sup>294</sup> Attachment 38: Great Oaks’ Response to Cal Advocates Office’ Data Request JBQ-006, Q.1a

A.24-07-001, Great Oaks’ Response to Cal Advocates’ DR JBQ 006, Q.1, Attachment 1, Cell BAMAs, Tab G24 (08/01/2024).

1 the Commission’s review and increases ratepayers’ likelihood of paying the same costs  
2 twice.

3 **II. SUMMARY OF RECOMMENDATIONS**

4 In this GRC Application, Great Oaks requests to continue 15 of its 18 BAMAs,  
5 close three BAMAs, and establish one new memorandum account. The Commission  
6 should not authorize Great Oaks to establish a new memorandum account. The  
7 Commission should also require Great Oaks to close five BAMAs and continue 13  
8 BAMAs.

- 9 1. The Commission should require Great Oaks to refund the \$714,012  
10 overcollection for the 2021 GRC Interim Rates Memorandum Account  
11 (2021 IRMA), as of July 1, 2024, close the account, and remove its  
12 reference from the Preliminary Statement.
- 13 2. The Commission should require Great Oaks to close the School Lead  
14 Testing Memorandum Account (SLTMA).
- 15 3. The Commission should allow Great Oaks to recover \$1,200,458 under-  
16 collection for the Pension Expense Balancing Account (PEBA), as of July  
17 1, 2024, close this account, and remove its reference from the preliminary  
18 statement.
- 19 4. The Commission should allow Great Oaks to recover \$51,622 under-  
20 collection as of July 1, 2024, close the Supplier Diversity Program Expense  
21 Memorandum Account (SDPEMA), and remove its reference from the  
22 preliminary statement.
- 23 5. The Commission should deny Great Oaks's request to establish a Battery  
24 Energy Storage System Memorandum Account.
- 25 6. The Commission should allow Great Oaks to close its COVID-19  
26 Catastrophic Event Memorandum Account (CEMA) as requested and  
27 remove its reference from the Preliminary Statement.

1           7. The Commission should require Great Oaks to remove all references from  
2           its preliminary statement of five previously closed BAMAs confirmed in  
3           response to Cal Advocates Data Request.<sup>295</sup>

4           8. The Commission should direct Great Oaks to accurately report the total  
5           number of existing BAMAs, reduce the total number of BAMAs, close the  
6           unnecessary accounts, and remove the references from the related  
7           Preliminary Statements.

8           Cal Advocates’ recommendations reduce regulatory burden, increase  
9           transparency, and ensure ratepayers pay only for prudently incurred costs. A list of Great  
10          Oaks’ 18 BAMAs is shown in table 15-1 below.

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<sup>295</sup> A.24-07-001, Great Oaks’ Response to Cal Advocates’ DR JBQ 004, Q.1. “Tax Cuts and Jobs Act” Memorandum Account, 2018 GRC Interim Rates Memorandum Account, Certified Public Accountant Audit Cost Memorandum Account, Paycheck Protection Program Loan Memorandum Account, and Conservation Lost Revenue Memorandum Account

1 **Table 15-1: Complete list of Great Oaks’ BAMAs<sup>296</sup>**

<b>A.24-07-001: GOWC's Balancing and Memo Accounts (BAMAs)</b>				
	<b>BAMA Names</b>	<b>Balance as of July 1, 2024</b>	<b>Great Oaks's Request</b>	<b>Cal Advocates' Recommendation</b>
1	Purchased Power BA	\$ (1,027,040.35)	Continue	Continue
2	Pump Tax, Non-Agricultural Service BA	\$ (248,658.37)	Continue	Continue
3	Pump Tax, Agricultural Service BA	\$ 5.12	Continue	Continue
4	Low-Income Customer Assistance Program Surcharge BA	\$ (291,818.18)	Continue	Continue
5	Pension Expense BA	\$ (1,200,457.71)	Amortize, Close*	Amortize, close*
6	Drinking Water BA	\$ (50,782.00)	Continue	Continue
7	Monterey-Style Water Revenue Adjustment Mechanism	\$ (1,474,294.19)	Continue	Continue
8	Santa Clara Valley Water District MA	\$ (3,509,894.80)	Continue	Continue
9	City of San Jose Litigation MA	\$ (18,381.12)	Continue	Continue
10	Water Cost of Capital Adjustment Mechanism	\$ -	Continue	Continue
11	School Lead Testing MA	\$ -	Continue	Close
12	COVID-19 Catastrophic Event MA (CEMA)	\$ -	Close	Close
13	Credit Card Pilot Program MA* (as of April 1, 2021)	\$ (152,585.21)	Continue	Continue
14	Supplier Diversity MA	\$ (51,622.08)	Continue*	Amortize, Close
15	2021 GRC Interim Rates MA	\$ 714,011.81	Close*	Amortize, close
16	Water Infrastructure Act MA	\$ -	Continue	Continue
17	Lead and Copper Rule Revisions MA	\$ -	Continue	Continue
18	Excess Usage Surcharge and Conservation Expense MA	\$ 7,737,897.69	Continue*	Continue*
	<b>Total (Undercollection)/Overcollection</b>	<b>\$ 426,380.61</b>		
New	Battery Energy Storage System Memorandum Account		Establish New	Deny
* represents conditional request/recommendation				

2  
3

4 **III. ANALYSIS**

5 **A. 2021 GRC Interim Rates Memorandum Account (2021**  
6 **IRMA)**

7 The 2021 GRC Interim Rates Memorandum Account (2021 IRMA) tracks the  
8 revenue differential between interim rates and the final rates, adopted in the Utility’s  
9 2021 GRC, A.21-07-001.<sup>297</sup> As of July 1, 2024, the balance of the account is \$714,012  
10 overcollection.<sup>298</sup>

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<sup>296</sup> Great Oaks’ request can be found in application document between pages 10-13, in Exhibit G, and Exhibit D- Chapter 5. Also see Attachment 38: Great Oaks’ Response to Cal Advocates Office' Data Request JBQ-006, Q.1a.

<sup>297</sup> Great Oaks’ Preliminary Statement, Section FF, as of July 1, 2024.

<sup>298</sup> A.24-07-001, Great Oaks’ Response to Cal Advocates’ DR JBQ 006, Q.1, Attachment 1, Cell

1 On June 5, 2024, Great Oaks filed Advice Letter 326 to apply the overcollection  
2 balance as of May 31, 2024, to offset the under-collection balance recorded in various  
3 other BAMAs.<sup>299</sup>

4 Great Oaks' Preliminary Statement of the 2021 IRMA clearly states the balance of  
5 this account is subject to refund, so Great Oaks should refund the balance regardless of  
6 the outcome of Advice Letter 326.<sup>300</sup> The final rates of the 2021 GRC application have  
7 been fully implemented, so Great Oaks should close this account as well.

8 Regardless of the outcome of Advice Letter 326, The Commission should require  
9 Great Oaks to refund \$714,012 overcollection recorded in the 2021 IRMA as of July 1,  
10 2024, via a one-time surcredit, close this account, and remove its reference from the  
11 preliminary statement.

12 **B. School Lead Testing Memorandum Account (SLTMA)**

13 The School Lead Testing Memorandum Account (SLTMA) tracks expenses  
14 associated with conducting Lead tests at Kindergarden-12th grade schools within Great  
15 Oaks' service territory that request this service. The SLTMA is being established pursuant  
16 to the Amendment to the Domestic Water Supply permits issued by the State Water  
17 Resources Control Board's Division of Drinking Water to Great Oaks on January 17,  
18 2017.<sup>301</sup>

19 In this Application, Great Oaks requests to continue the account.<sup>302</sup> As of July 1,  
20 2024, the balance of this account is zero.<sup>303</sup> In response to a Cal Advocates Data

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BAMAs, Tab G19 (08/01/2024).

<sup>299</sup> Great Oaks' Advice Letter 326 (filed on June 5, 2024), pending approval.

<sup>300</sup> Great Oaks' Preliminary Statement, Section FF, as of July 1, 2024.

<sup>301</sup> Great Oaks' Preliminary Statement, Section W, as of July 1, 2024.

<sup>302</sup> A.24-07-001 (July 1, 2024) at 12

<sup>303</sup> A.24-07-001, Great Oaks' Response to Cal Advocates' DR JBQ 006, Q.1, Attachment 1, Cell  
BAMAs, Tab G15 (08/01/2024).



1 Request, Great Oaks confirmed the company never recorded any cost in this account, and  
2 nor does it have any plan to do school lead testing at any point from now until June 30,  
3 2028.<sup>304</sup>

4 This account does not qualify for memorandum account treatment anymore as  
5 required by Commission’s Standard Practice U-27-W, because it is not entirely  
6 unexpected, and the costs are not likely to be substantial.<sup>305</sup> For example, another Class-  
7 A Water IOUs requested to close its SLTMA a few years ago, and the request was  
8 approved by the Commission.<sup>306</sup>

9 The Commission should require Great Oaks to close this account and remove its  
10 reference from the preliminary statement.

11 **C. Pension Expense Balancing Account (PEBA)**

12 The Pension Expense Balancing Account (PEBA) tracks the differences between  
13 Authorized Plan Expenses and Accounting Standards Codification 715/Statement of  
14 Financial Accounting Standard 87 pension expenses for Great Oaks’ Defined Benefit  
15 Plan and Trust (Plan). As of July 1, 2024, the account has an under-collection balance of  
16 \$1,200,458.<sup>307</sup>

17 Great Oaks requests to amortize and close this account if the Commission  
18 approves the company’s request to convert its defined benefit plan (pension plan) into a  
19 defined contribution plan (401k plan).<sup>308</sup> Cal Advocates’ witness Lauren Cunningham’s  
20 testimony does not oppose Great Oaks’ request to convert Defined Benefit Pension Plan  
21 to Defined Contribution Pension Plan. Therefore, Cal Advocates recommends Great

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<sup>304</sup> A.24-07-001, Great Oaks’ Response to Cal Advocates’ DR JBQ 003, Q.2 (07/11/2024).

<sup>305</sup> CPUC Standard Practice U-27-W; Establishing a Memorandum Account, Item No. 44 (May 2008).

<sup>306</sup> A.20-07-012, *Golden State Water Company GRC Application* (July 15, 2020) at 44 (Golden State requested to close its SLTMA, which was approved by the Commission.).

<sup>307</sup> A.24-07-001, Great Oaks’ Response to Cal Advocates’ DR JBQ 006, Q.1, Attachment 1, Cell BAMAs, Tab G9 (08/01/2024).

<sup>308</sup> A.24-07-001 (July 1, 2024) at 10.

1 Oaks amortizing the under-collection balance of \$1,200,458 as of July 1, 2024, and  
2 closing this account.

3 For the PEBA, the Commission should require Great Oaks to amortize \$1,200,458  
4 under-collection, close the account, and remove its reference from the preliminary  
5 statement.

6 **D. Supplier Diversity Program Expense Memorandum**  
7 **Account (SDPEMA)**

8 The Supplier Diversity Program Expense Memorandum Account (SDPEMA)  
9 tracks expenses incurred to comply with the Commission's Supplier Diversity Program  
10 (SDP) and Public Utilities Code Section 8283 that are not reflected in rates.<sup>309</sup>

11 As of July 1, 2024, this account has an under-collection balance of \$51,622.<sup>310</sup> In  
12 this GRC Application, Great Oaks records a \$45,000 annual cost for this program for the  
13 next three years starting in Test Year 2025/2026 in Outside Services (Account 798),<sup>311</sup>  
14 Administrative and General Expense (A&G) workpaper and proposes to close this  
15 account if the program cost is approved to be included in rates.<sup>312 313</sup> Cal Advocates does  
16 not oppose this request and recommends Great Oaks to amortize and close this  
17 account. For more information regarding why the program cost should be approved to be  
18 included in rates, please see Cal Advocates witness Lauren Cunningham's Testimony,  
19 A&G expense.

20 For the SDPEMA, the Commission should require Great Oaks to amortize the  
21 \$51,622 under-collection, close the account, and remove its reference from the  
22 Preliminary Statement.

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<sup>309</sup> Great Oaks' Preliminary Statement, Section JJ, as of July 1, 2024.

<sup>310</sup> A.24-07-001, Great Oaks' Response to Cal Advocates' DR JBQ 006, Q.1, Attachment 1, Cell BAMAs, Tab G18 (08/01/2024).

<sup>311</sup> A.24-07-001, Exhibit E, GRC Workpapers, A&G Expenses, WP-6, Cell K19 (July 1, 2024).

<sup>312</sup> A.24-07-001, Exhibit D, Report on Results of Operations, Chapter 1 Introduction (July 1, 2024) at 5.

<sup>313</sup> A.24-07-001 (July 1, 2024) at 9.

1           **E.     Battery Energy Storage System Memorandum Account**

2           In this GRC, Great Oaks requests to open a new Battery Energy Storage  
3 Memorandum Account to record estimated costs of \$635,000 to \$1.5 million to purchase  
4 and install a battery energy storage system.<sup>314</sup> Great Oaks claims it could reduce power  
5 costs during peak periods, and possible government grants could offset 50-75% of the  
6 project cost, if received.<sup>315</sup> Great Oaks outsourced third-party expertise to identify  
7 eligible well-site locations as ideal candidates to receive government grants for this  
8 proposed battery storage project.<sup>316</sup>

9           The Commission should not authorize Great Oaks's request to establish this new  
10 memorandum account because it does not qualify for memorandum account treatment as  
11 required by CPUC Standard Practice (SP). For example, SP U-27-W, Section 44 states  
12 that in order to qualify for memorandum account treatment

- 13           a.     The expense is caused by an event of an exceptional nature that is  
14                 not under the utility's control;
- 15           b.     The expense cannot have been reasonably foreseen in the utility's  
16                 last general rate case and will occur before the utility's next  
17                 scheduled rate case;
- 18           c.     The expense is of a substantial nature as to the amount of money  
19                 involved when any offsetting costs decreases are taken into account;  
20                 and
- 21           d.     The ratepayers will benefit by the memo account treatment.<sup>317</sup>
- 22

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<sup>314</sup> A.24-07-001; Exhibit G Proposed Capital Projects (July 1, 2024) at 4.

<sup>315</sup> Great Oaks' anticipated State funding source is the California Energy Commission's Distributed Electricity Backup Assets (DEBA) incentive program. The anticipated Federal funding source is the Department of Energy, Grid Resilience and Innovation Partnerships (GRIP) Program.

<sup>316</sup> A.24-07-001; Exhibit G Proposed Capital Projects (July 1, 2024) at 3.

<sup>317</sup> CPUC Standard Practice U-27-W; Establishing a Memorandum Account, Item No. 44 (May 2008).

1 Great Oaks requested capital expenditure of 635,000 to \$1.5 million for the  
2 Battery Energy Storage System cannot be considered as the result of an event of an  
3 “exceptional nature that is not under the utility’s control.”<sup>318</sup> Instead, Great Oaks is  
4 willing to purchase and install the system for its optimum business operation. Great Oaks  
5 can exercise its regular operational flexibility to complete this project anytime it deems  
6 appropriate, and request to add that in the ratebase in a subsequent GRC. Great Oaks’  
7 request of a new Battery Energy Storage Memorandum Account is discussed in Cal  
8 Advocates’ plant witness Daphne Goldberg’s Testimony.

9 The Commission should deny Great Oaks’ request to establish a new Battery  
10 Energy Storage System Memorandum Account since it does not comport with CPUC’s  
11 memorandum account establishment criteria outlined in SP U-27-W.

#### 12 IV. CONCLUSION

13 Cal Advocates recommends Great Oaks to continue 13 of its BAMAs and close  
14 the remaining five BAMAs. Cal Advocates opposes Great Oaks’ request to establish one  
15 new BAMA.

- 16 1. The Commission should require Great Oaks to refund the \$714,012  
17 overcollection for the 2021 GRC Interim Rates Memorandum Account  
18 (2021 IRMA), as of July 1, 2024, close the account, and remove its  
19 reference from the Preliminary Statement.  
20
- 21 2. The Commission should require Great Oaks to close the School Lead  
22 Testing Memorandum Account (SLTMA) because it is not used and useful.  
23
- 24 3. The Commission should allow Great Oaks to recover \$1,200,458 under-  
25 collection for the Pension Expense Balancing Account (PEBA), as of July  
26 1, 2024, close this account, and remove its reference from the Preliminary  
27 Statement.  
28

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<sup>318</sup> CPUC Standard Practice U-27-W; Establishing a Memorandum Account, Item No. 44.a (May 2008).

- 1           4. The Commission should allow Great Oaks to recover \$51,622 under-  
2           collection as of July 1, 2024, close the Supplier Diversity Program Expense  
3           Memorandum Account (SDPEMA), and remove its reference from the  
4           Preliminary Statement.  
5
- 6           5. The Commission should deny Great Oaks's request to establish a Battery  
7           Energy Storage System Memorandum Account because CPUC's Standard  
8           Practice requirements are not met.  
9
- 10          6. The Commission should allow Great Oaks to close its COVID-19  
11          Catastrophic Event Memorandum Account (CEMA) as requested and  
12          remove its reference from the Preliminary Statement.  
13

14           Great Oaks should remove all references from its Preliminary Statement about the  
15 five previously closed BAMAs. In addition, Great Oaks should accurately report the  
16 total number of existing BAMAs and close the unnecessary BAMAs to minimize the  
17 overall number of accounts. These prudent actions will increase the transparency of the  
18 Commission's rate-setting process and reduce the regulatory burden on the Commission.

1

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3

# ATTACHMENTS

**Attachment 1:  
Qualifications of Witness Prashanta  
Adhikari**



## QUALIFICATIONS AND PREPARED TESTIMONY OF PRASHANTA ADHIKARI

Q.1 Please state your name and business address.

A.1 My name is Prashanta Adhikari, and my business address is 505 Van Ness Avenue, San Francisco, California 94102.

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

A.2 I am a Public Utilities Regulatory Analyst III in the Water Branch of the Public Advocates Office.

Q.3 Please describe your educational and professional experience.

A.3 I graduated from University of California, Davis in June 2017 with a Bachelor of Arts in Economics and have been working for the California Public Utilities Commission since October 2019.

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

A.4 My areas of responsibility are income taxes, taxes other than income, rate base, the results of operation model, and revenues at present rates.

Q.5 Does that complete your prepared testimony?

A.5 Yes.

**Attachment 2:  
Qualifications of Witness Lauren  
Cunningham**

## QUALIFICATIONS AND PREPARED TESTIMONY OF LAUREN CUNNINGHAM

Q.1 Please state your name and business address.

A.1 My name is Lauren Cunningham, and my business address is 505 Van Ness Avenue, San Francisco, California 94102.

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

A.2 I am employed by the Public Advocates Office within the California Public Utilities Commission as a Public Utilities Regulatory Analyst III.

Q.3 Please describe your educational and professional experience.

A.3 I received a Bachelor of Arts Degree in Economics, with minors in Spanish and Mandarin Chinese, from California State University, Sacramento in January 2020. I have been with the Public Advocates Office Water Branch since July 2020.

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

A.4 I am responsible for the preparation of the Report and Recommendations on Operations & Maintenance (O&M), Salaries & Wages, Administrative & General (A&G), and Non-Tariff Products & Services (NTP&S).

Q.5 Does that complete your prepared testimony?

A.5 Yes.

**Attachment 3:  
Qualifications of Witness Herbert Merida**

## QUALIFICATIONS AND PREPARED TESTIMONY OF HERBERT MERIDA

Q.1 Please state your name and business address.

A.1 My name is Herbert Merida, and my business address is 505 Van Ness Avenue, San Francisco, California 94102.

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

A.2 I am a Public Utilities Regulatory Analyst IV in the Water Branch of the Public Advocates Office.

Q.3 Please describe your educational and professional experience.

A.3 I graduated from San Francisco State University with a Bachelor of Science Degree in International Business Management, a minor in Economics, and a Master of Business Administration Degree. Regarding my professional experience, I have been employed by the California Public Utilities Commission for over 17 years and have worked on many general rate case proceedings. Also, I have held a variety of positions at Levi Strauss & Co., Siemens A.G., the Employment Development Department, the State Compensation Insurance Fund, and most recently the California Public Utilities Commission.

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

A.4 I am responsible for the Conservation, Revenues, and Rate Design chapters in this proceeding.

Q.5 Does that complete your prepared testimony?

A.5 Yes, it does.

**Attachment 4:  
Qualifications of Witness Daphne  
Goldberg**

## QUALIFICATIONS AND PREPARED TESTIMONY OF DAPHNE GOLDBERG

Q.1 Please state your name and business address.

A.1 My name is Daphne Goldberg, and my business address is 505 Van Ness Avenue, San Francisco, California 94102.

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

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

Q.3 Please describe your educational and professional experience.

A.3 I received a Bachelor of Science Degree in Civil Engineering from Santa Clara University, a Master of Business Administration Degree from San Francisco State University, and a master's in civil/environmental engineering from University of California, Davis. I received my Engineer-in-Training Certification in the State of California, Certificate #141820.

My professional experience in my role as a Utilities Engineer includes work on several General Rate Cases, Acquisition proceedings, and the review of Advice Letters. Prior to joining the Public Advocates Office, my professional experience includes work as a Staff Engineer at URS Corporation in the Civil Engineering Group where I assisted the civil engineers and planners in infrastructure design projects, development of project schedules and budgets and preparation of new project proposals. Prior to URS, I was a Design Trainee at the San Francisco Public Utilities Commission where I worked on the Water System Improvement Program in the Project Management Bureau on performance reporting documents related to water resources planning, scheduling, risk management and operations.

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

A.4 My responsibility in this proceeding is Plant and Water Quality requests.

Q.5 Does that complete your prepared testimony?

1 A.5 Yes.



**Attachment 5:  
Qualifications of Witness Jawad Baki**

## QUALIFICATIONS AND PREPARED TESTIMONY OF JAWAD BAKI

Q.1 Please state your name and address.

A.1 My name is Jawad Baki, and my business address is 505 Van Ness Avenue, San Francisco, California 94102.

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

A.2 I am a Public Utilities Regulatory Analyst IV in the Water Branch of the Public Advocates Office at the California Public Utilities Commission.

Q.3 Please describe your educational and professional experience.

A.3 I have a Bachelor of Business Administration degree with a Major in Finance (2015) from Green University of Bangladesh. I was a City of Temecula Economic Development intern during the Summer of 2019. I earned a master's degree in applied economics from San Diego State University in 2019.

Since 2020, I have been with the Public Advocates Office's Communication and Water Policy Branch, and then with the Water Branch. I have reviewed San Jose Water Company's Advanced Metering Infrastructure (AMI) application (A.19-12-002) and submitted my written testimony. I have issued testimonies on balancing and memorandum account in a Golden States Water Company GRC application (A.20-07-012), a San Gabriel Valley GRC application (A.22-01-003), Cost of Capital application (A.21-05-001 et al.) for the four largest Class-A Water Investor-Owned Utilities (IOUs), and Cost of Capital application (A.23-05-001 et al.) for small Class-A Water IOUs. I've also issued a testimony of taxes, depreciation, working cash, and special requests in a Golden States Water Company's GRC application (A.23-08-010). Additionally, I have reviewed twenty-plus Advice Letters about Class-A water IOUs, and a Financing Application of California-American Water Company. I am also reviewing

balancing and memorandum accounts workpapers for San Jose Water Company's current GRC Application (A.24-01-001).

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

A.4 I am the Cal Advocates' project lead for this proceeding. In addition, I am responsible for reviewing the Great Oaks' BAMAs.

Q.5 Does that complete your prepared testimony?

A.5 Yes, it does.

**Attachment 6:  
Attachment by Witness Cross-Reference**

1

<b>Attachment ID</b>	<b>Witness</b>
Attachment 7	Adhikari
Attachment 8	Adhikari
Attachment 9	Adhikari
Attachment 10	Adhikari
Attachment 11	Cunningham
Attachment 12	Cunningham
Attachment 13	Cunningham
Attachment 14	Cunningham
Attachment 15	Cunningham
Attachment 16	Cunningham
Attachment 17	Cunningham
Attachment 18	Cunningham
Attachment 19	Merida
Attachment 20	Merida
Attachment 21	Merida
Attachment 22	Merida
Attachment 23	Adhikari
Attachment 24	Goldberg
Attachment 25	Goldberg
Attachment 26	Goldberg
Attachment 27	Goldberg
Attachment 28	Goldberg
Attachment 29	Goldberg
Attachment 30	Goldberg
Attachment 31	Goldberg
Attachment 32	Goldberg
Attachment 33	Goldberg
Attachment 34	Goldberg
Attachment 35	Adhikari
Attachment 36	Adhikari
Attachment 37	Goldberg
Attachment 38	Baki

**Attachment 7:**  
**Great Oaks Advice Letter 325 Pages 1-24**



**GREAT OAKS WATER COMPANY**

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540

June 14, 2024

*Sent via email to [water.division@cpuc.ca.gov](mailto:water.division@cpuc.ca.gov)*

California Public Utilities Commission  
Water Division  
Room 3102  
505 Van Ness Avenue  
San Francisco, CA 94102-3298

**Advice Letter 325-W-A  
Great Oaks Water Company (U-162-W) to the California Public  
Utilities Commission Requesting Authorization to Increase Revenue  
to Offset Increased Pump Tax**

Great Oaks Water Company (Great Oaks) transmits this Tier 1 advice letter establishing a change in base rates to offset increased pump taxes being imposed upon Great Oaks by the Santa Clara Valley Water District effective July 1, 2024. The following changes in tariff schedules applicable to Great Oaks entire service area are proposed:

CPUC Sheet No. <sup>1</sup>	Title of Tariff Sheet	Canceling Sheet No.
1067-W	Schedule No. 1 General Metered Service	1060-W
1068-W	Schedule No. 1 Tiered Rates	1061-W

<sup>1</sup> Tariff sheet numbers reflect the replacement of the tariff sheets included with Advice Letter 324-W-A filed June 14, 2024.

1069-W	Schedule No. 1 General Metered Service Special Conditions	1062-W
1070-W	Schedule No. 3M Irrigation Service	1063-W
1071-W	Schedule No 3M Irrigation Service Special Conditions	1064-W
1072-W	Schedule No. 6 Contract Resale Service	1065-W
1073-W	Table of Contents	1066-W

Summary of Advice Letter 325-W-A

Great Oaks filed Advice Letter 325-W on May 17, 2024 to increase revenue to address higher groundwater production charges (pump taxes) levied by the Santa Clara Valley Water District (Valley Water), effective July 1, 2024. On May 14, 2024, the Valley Water Board of Directors passed a Resolution adopting pump taxes for the period of time from July 1, 2024 to June 30, 2025. A copy of the Valley Water Resolution is attached hereto as Exhibit A.

The Water Division of the California Public Utilities Commission (Commission) has requested that instead of recovering increased costs due to the higher pump taxes levied by Valley Water through a surcharge, Great Oaks should request the additional cost recovery through a change in base rates. This Advice Letter 325-W-A complies with the Water Division's request and builds upon Advice Letter 324-W-A (escalation/attrition year filing), including base rates and tiered rate design.

On June 12, 2024, the Water Division advised Great oaks to make certain revisions to the Advice Letter 324-W paperwork. Since the paperwork for this Advice Letter builds upon it, the Water Division advised Great Oaks to make revisions to Advice Letter 325-W paperwork and to file a supplemental Advice Letter 325-W-A to include those revisions. This supplemental Advice Letter includes the revisions that were required to be made directed by the Water Division for approval of the Advice Letter.

Great Oaks Advice Letter 324-W-A established rates for the 2024/2025 rate year before Valley Water increased the groundwater charges imposed upon groundwater producers like Great Oaks. The amount of groundwater charges included in Advice Letter 324-W-A's rate calculations was \$13,294,182. With



**Attachment 8:**  
**Excerpt from Standard Practice U-16-W 3**

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**CALIFORNIA PUBLIC UTILITIES COMMISSION**  
Water Division

DETERMINATION OF WORKING CASH ALLOWANCE

Standard Practice U-16-W

San Francisco, California  
March, 2006

## **Chapter 1**

### **A—HISTORY**

1. This Standard Practice was originally prepared under Utilities Division Work Order No. S-1181 by engineers of the Valuation Section under the supervision of Mr. Clarence Unnevehr, Valuation Engineer. This practice was accepted for use by the Utilities Division at the Division Conference on February 28, 1956 (Doc. Mgmt. #271137).

### **B—INTRODUCTION**

2. This report describes present staff practices and serves as a guide to the staff engineer or analyst (analyst) in determining the working cash allowance.

### **B—PURPOSE**

3. The purpose of this Standard Practice is to assist staff engineers in analyzing and determining a proper working cash for use in the rate base portion of results of operation reports.
4. This report covers the suggested procedures the analyst should be familiar with before undertaking a working cash allowance study. Two methods are set forth: A simplified basis, and a detailed basis. Deviations to this standard practice are acceptable but must be approved by the Project Manager.

### **C—NEED FOR WORKING CASH ALLOWANCE**

5. The need for working cash was first recognized in *Smyth vs. Ames*, 169 US 466-547, in 1898. Mr. Justice Harlan stated that among the matters to be considered in determining the value of property used was "the sum required to meet operating expenses." Therefore, from the beginning of the "property devoted to public use ..."

doctrine as a basis for fixing rates, working cash has generally been recognized as a proper item to be included in the base on which the utility is entitled to earn a return.

#### D—WORKING CASH COMPONENT OF RATE BASE

6. The working cash allowance is a component of rate base. It can be positive or negative.<sup>1</sup> Its purpose is to compensate investors for funds provided by them which are permanently committed to the business for the purpose of paying operating expenses in advance of receipt of offsetting revenues from its customers and in order to maintain minimum bank balances. Cash held for construction, for purchases of stock, for payment of dividends and interest on funded debt, and link purposes does not qualify for inclusion in cash working capital.<sup>2</sup>

7. The analyst should recognize that management policies may affect working cash, and these policies should be considered when arriving at conclusions as to the reasonable allowance. The actual operating conditions of the utility in procurement of, and payment for, services, receipt of revenues, and accounting procedures are easily ascertained. Changes in operating conditions in the near future may be considered in the development of the working cash allowance, such as changes in tax rates and payment schedules which may affect the amount of working cash available to the utility.

2. First, determine the operational cash requirement and then subtract from the operational cash requirement such amounts as are available to this utility in forms

<sup>1</sup> The Pacific Telephone and Telegraph Company Decision No. 67369 62 Cal. PUC 775, 821 (1964) upheld by the California Supreme Court in S.F. 21788, April 28, 1965 where the Commission disallowed \$6,800,000 (which Pacific termed "negative working cash") from Pacific's claimed rate base for the test year. The Commission found that where the funds supplied to Pacific by others than investors are greater than the amount required for working cash, the excess amount should be deducted from rate base. The Court commented "This view appears sound and fair, the decision sets forth detailed findings on the subject, and no error is shown." Cited in Subj. Ref. H-9, June 9, 1966. see also:

The Pacific Lighting Gas Supply Company Decision No. 63706 59 Cal. PUC 610, 625 (1962)  
D.84-02-052, February 16, 1984, In the Matter of the Application of SAN GABRIEL VALLEY WATER COMPANY, a California corporation, for authorization to issue and sell not exceeding \$4,737, 500 aggregate principal amount of its First Mortgage Series M, 12-1/2% Bonds Due February 1, 1999, to execute and deliver an Eighteenth Supplemental Trust Indenture and to purchase and retire all of its outstanding Preferred Stock at 23.

<sup>2</sup> AT&T Co., et al (Private Line Cases) 34 FCC 244, 271 (1961)

of tax accruals or other funds not supplied by the investors.<sup>3</sup> The operational requirement is made up of working funds in the form of cash, special deposits and other current assets which the investor is required to supply to the utility in order for it to perform its day-to-day operational requirements efficiently and economically. On the other hand, the amount subtracted from the operational cash requirement represents a source of interest-free working funds available to the utility due to the fact that revenues are collected prior to the payment of employees' wages, taxes and the utility's creditors. The net amount then represents the allowance for funds supplied by the investors.

3. For practical reasons, the method of determining the working cash allowance varies with the size, nature and the operation of the utility. For utilities not large enough to justify a detailed study, or when a detailed study would be impractical from a work-time viewpoint, a simplified basis may be used to develop a working cash allowance. For major utilities, a detailed method is used based upon the so-called "weighted-average or lead-lag" study. In the final analysis the amount of working cash to be included in the rate base must rest upon the analyst's judgment. The amount of working cash allowance in the end result is essentially a judgment amount based upon what the analyst believes to be fair and reasonable for the operations of the utility but within limitations dictated by the size of the utility and staff policy.

4. This regulatory concept of working capital must be distinguished from the accounting definition of working capital. Accountants define working capital as the difference between current assets and current liabilities. The regulatory concept, on the other hand, defines working capital as an allowance for the amount of money which the utility has furnished from its own funds for the

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<sup>3</sup> "If through the availability and use of tax accrual moneys or other funds supplied by the subscribers, the investors are required to supply a smaller sum, their compensation should be proportionately less." T.P.T. and T. Co., Decision No. 41416, 48 CPUC 1, 22 (1948)

purpose of enabling it to satisfy ordinary requirements for minimum bank balances and to bridge the gap between the time expenses of rendering utility service are paid and the time revenues from the same service are collected. This definition includes both materials and supplies and working cash in working capital. Since the category of materials and supplies is already included in rate base, this Standard Practice is concerned only with the working cash allowance to be included in the rate base for rate-fixing purposes.

#### E—WORKING CASH ALLOWANCE - SIMPLIFIED BASIS

10. The Working Cash Allowance for small utilities as developed for results of operation studies has generally been derived on a simplified basis. The method provides that working cash "requirement" be based upon a certain number of months' expenses for fuel and/or commodity purchases, and a certain number of months of operating expenses, excluding taxes, depreciation and uncollectibles. The number of months usually depends on the type of billing and rate schedules by which the utility collects its revenues. The selection of the number of months of operating expenses used in the simplified method is based upon earlier Commission decisions commencing with Decision No. 2947, dated November 30, 1915, wherein the Commission stated that "The Commission ordinarily allows for working capital an allowance equivalent to cover two months operating expenses."<sup>4</sup> In later decisions the Commission, in ruling on working capital, separated the working capital into working cash allowance and materials and supplies, and also deducted from the working cash capital an amount equivalent to a percentage of certain tax accruals which were held by the company for tax payments to be made in the future.<sup>5</sup>

<sup>4</sup> Pacific Gas and Electric Company, Case Nos. 477 and 550, Decision No. 2947, 8 CRC 566, 569 (1915).

<sup>5</sup> Great Western Power Company of California, Application No. 5585, Decision No. 11466, 22 CRC 814, 830 (1923).

**Attachment 9:  
California Public Utilities Commission  
Regulated Water Utilities by Number of  
Connections, Page 11**

# CALIFORNIA PUBLIC UTILITIES COMMISSION



## REGULATED WATER UTILITIES

(From 2019 Annual Reports)

**TOTAL WATER UTILITIES = 93**

Class	Service Connections	Count
Class A	> 10,000	9
Class B	2,000 <> 10,000	4
Class C	500 <> 2,000	20
Class D	< 500	60

**TOTAL SEWER UTILITIES = 12**

December 16, 2020



**Attachment 10:  
Great Oaks' Response to Cal Advocates  
Office' Data Request PAD-004 Attachment 1**

# Great Oaks Water Company

Test Year 2025/2026 Revenue Calculation using Rates effective 07/01/2024

General Metered Sales					
Rates on AL 325-W-A effective 07/01/2024					Test Year 2025/2026
<u>Meter Size</u>			<u>Customers</u>	<u>Service Charge</u>	<u>Service Revenue</u>
5/8 x 3/4			5,627	\$15.42	\$1,041,220
3/4			13,841	\$23.12	\$3,840,047
1			989	\$38.54	\$457,393
1 1/2			361	\$77.08	\$333,911
2			485	\$123.32	\$717,722
3			66	\$231.23	\$183,134
4			50	\$385.38	\$231,228
6			13	\$770.76	\$120,239
8			8	\$1,233.22	\$118,389
10			3	\$1,772.76	\$63,819
12			0	\$2,543.52	\$0
Total		Total	21,443		\$7,107,102
Projected					
<u>Class</u>	<u>Usage</u>	<u>Customers</u>	<u>CCF</u>	<u>Rate</u>	<u>Usage Revenues</u>
Single Residential	103.2	20,001	2,064,103	\$5.0061	\$10,333,107
Multi Residential	1,358.2	640	869,248	\$5.0061	\$4,351,542
Business	1,101.2	311	342,473	\$5.0061	\$1,714,455
Total Commercial		20,952	3,275,824		\$16,399,105
Projected					
<u>Class</u>	<u>Usage</u>	<u>Customers</u>	<u>CCF</u>	<u>Rate</u>	<u>Usage Revenues</u>
Industrial	1,576.0	56	88,256	\$5.0061	\$441,818
Public Authorities	988.8	146	144,365	\$5.0061	\$722,705
Schools	3,396.6	44	149,450	\$5.0061	\$748,164
Private Landscapes	980.4	235	230,394	\$5.0061	\$1,153,375
Total Other		481	612,465		\$3,066,062
Total		21,433	3,888,290		
Total General Metered Service Revenues					\$26,572,269
CPUC Surcharge				0.70%	\$186,006
Total General Metered Service Revenues Plus CPUC Surcharge					\$26,758,274

Private Fire Protection Service					
<u>Meter Size</u>			<u>Customers</u>	<u>Service Charge</u>	<u>Pro Forma Revenue</u>
2			105	\$19.97	\$25,162
4			42	\$33.24	\$16,753
6			110	\$50.57	\$66,752
8			79	\$68.20	\$64,654
10			27	\$87.27	\$28,275
12			3	\$112.82	\$4,062
Total Private Fire Protection Service Revenues			366		\$205,658.16
CPUC Surcharge				0.70%	\$1,440
Total Private Fire Protection Service Revenues Plus CPUC Surcharge					\$207,098
Total Services					
Total Base Rate Water Service Revenues, Excluding CPUC Surcharges					\$26,777,927
CPUC Surcharge				0.70%	\$187,445
Total Base Rate Water Service Revenues, Including CPUC Surcharges					\$26,965,372
Uncollectibles				0.3452%	\$93,084

**Attachment 11:  
Great Oaks' Response to Cal Advocates  
Office' Data Request LCN-003 (Groundwater  
Charges), Attachment 1**

Great Oaks Water Company  
Water Production - Acre Feet  
PUC FY 2023-2024

	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FY 2023-2024
WELL 1	0.000	0.153	0.166	0.000	0.083	0.000	0.000	0.089	0.000	0.000	0.000	161.514	238.241
WELL 2	0.000	0.115	0.070	0.000	0.000	0.000	0.000	0.067	0.000	0.000	0.117	0.000	0.427
WELL 3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WELL 4	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WELL 5	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WELL 6	102.100	111.469	80.862	53.864	20.833	5.769	1.220	3.358	3.699	6.146	34.381	0.871	421.374
WELL 8	121.851	122.387	117.175	109.945	42.405	0.251	0.000	0.358	0.000	0.000	0.000	16.558	539.623
WELL 9	17.082	30.357	11.360	0.000	0.026	0.000	0.000	0.040	0.000	0.000	0.000	10.679	135.309
WELL 10	0.000	0.092	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.066	0.000	0.158
WELL 11	0.000	0.069	0.000	0.000	0.052	0.000	0.000	0.077	0.000	0.000	0.119	0.000	0.317
WELL 12	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WELL 15	58.460	70.140	54.650	24.470	1.250	0.800	0.000	0.370	0.000	1.880	22.350	53.370	287.740
WELL 16	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WELL 18	0.000	0.190	0.050	0.000	0.090	0.000	0.000	0.050	0.000	0.000	0.100	0.000	0.480
WELL 19	0.000	0.215	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.008	0.000	0.223
WELL 20	0.000	0.373	0.113	0.000	0.103	0.000	0.000	0.067	0.000	0.000	0.118	0.000	0.774
WELL 21	299.297	335.720	254.537	187.696	65.126	6.820	1.220	1.402	3.690	8.029	144.181	307.845	1,615.333
North County Subtotal	16.242	16.165	15.393	15.899	15.289	16.502	16.395	15.852	16.936	15.588	15.414	6.877	182.542
WELL 22	83.195	64.199	62.179	65.391	64.448	84.559	96.651	94.232	96.730	87.516	62.461	60.396	1,054.161
WELL 23	188.360	185.520	184.660	183.630	184.460	184.460	183.660	184.260	183.660	183.330	182.520	182.520	1,436.400
WELL 24	80.550	79.080	71.650	65.860	45.740	17.430	0.570	4.850	3.700	136.330	182.520	182.520	1,436.400
WELL 24B	135.480	137.630	133.440	138.970	136.970	149.420	149.620	144.120	152.910	140.750	137.740	134.370	1,690.690
WELL 24C	125.480	127.000	123.070	128.040	126.220	138.050	133.500	133.620	142.250	128.850	125.190	121.550	1,552.690
WELL 24D	706.267	707.994	675.022	693.260	657.947	637.921	599.946	536.164	597.576	646.876	728.985	699.985	7,857.943
South County Subtotal	1,005.564	1,043.714	929.559	860.926	723.073	644.741	571.186	537.566	601.266	654.905	873.166	1,007.630	9,473.276
Month Total	1,005.564	1,043.714	929.559	860.926	723.073	644.741	571.186	537.566	601.266	654.905	873.166	1,007.630	9,473.276
YTD Total	1,005.564	2,049.278	2,978.837	3,859.763	4,582.836	5,227.577	5,796.743	6,336.309	6,937.575	7,592.480	8,465.646	9,473.276	
Non-Agriculture Total	997.329	1,004.568	926.230	876.695	722.334	643.958	570.640	537.171	601.041	654.407	870.021	1,006.306	9,442.610
Agriculture Total	8.235	9.146	3.329	2.321	0.739	0.783	0.536	0.395	0.225	0.498	3.145	1.324	30.666
Month Total	1,005.564	1,043.714	929.559	880.926	723.073	644.741	571.186	537.566	601.266	654.905	873.166	1,007.630	9,473.276
YTD Non-Agriculture Total	997.329	2,031.897	2,958.127	3,836.732	4,559.068	5,203.024	5,779.684	6,310.835	6,911.876	7,566.283	8,436.304	9,442.610	
YTD Agriculture Total	8.235	17.381	20.710	23.031	23.770	24.553	25.079	25.474	25.699	26.197	29.342	30.666	
YTD Total	1,005.564	2,049.278	2,978.837	3,859.763	4,582.836	5,227.577	5,796.743	6,336.309	6,937.575	7,592.480	8,465.646	9,473.276	

Great Oaks Water Company  
Water Production - Acre Feet  
PUC FY 2022-2023

	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	FY 2022-2023
WELL 1	0.070	0.285	0.000	0.108	1.037	0.000	0.091	0.058	0.167	0.000	0.093	0.782	2.891
WELL 2	0.138	0.313	0.000	0.134	0.033	0.000	0.067	0.072	0.143	0.000	0.069	1.348	2.317
WELL 3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WELL 4	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WELL 7	0.000	0.000	0.086	0.000	0.000	0.000	0.000	0.000	0.073	0.000	0.028	0.000	0.205
WELL 8	146.015	42,678	72,884	93,858	11,558	0.033	0.000	0.031	0.006	0.000	13.582	38.522	504.964
WELL 9	65,678	92,884	92,884	92,884	11,558	0.033	0.000	0.031	0.006	0.000	13.582	38.522	504.964
WELL 10	35,231	74,110	13,551	4,018	1,331	0.000	0.063	0.000	0.240	1.831	26.501	116.375	203.138
WELL 11	0.000	0.000	0.158	0.000	0.000	0.000	0.000	0.000	0.228	0.000	0.228	46.163	0.481
WELL 12	2,625	3,842	0.000	0.110	0.016	0.000	0.042	0.033	0.081	0.000	0.063	0.138	6.950
WELL 15	0.000	0.000	0.000	0.000	0.000	0.000	0.010	0.000	0.000	0.000	0.000	0.000	0.010
WELL 16	111,770	109,710	43,400	31,260	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	306,420
WELL 18	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WELL 19	2,760	20,200	64,830	76,580	7,620	0.000	0.040	0.040	0.070	0.000	0.040	0.000	172,180
WELL 20	63,048	46,885	0.000	0.136	0.031	0.084	0.059	0.074	0.105	0.000	0.073	0.745	110,850
WELL 21	0.144	67,216	76,681	22,758	2,394	0.000	0.068	0.102	0.120	0.000	2.208	1.886	173,557
North County Subtotal	441,116	513,353	362,859	296,396	26,736	0.553	0.487	0.548	1,668	9,352	76,201	212,340	1,941,709
WELL 22	18,549	18,442	17,109	17,588	15,704	16,815	17,919	12,318	9,859	17,928	17,046	16,268	185,545
WELL 23	97,533	97,296	95,637	98,205	82,642	93,912	102,106	90,532	103,105	92,408	84,973	84,256	1,122,968
WELL 23A	118,720	112,010	115,120	119,720	104,080	116,680	126,080	112,610	125,620	112,130	103,080	101,910	1,367,750
WELL 24	149,120	122,820	161,460	160,630	93,250	45,430	20,660	25,170	25,660	98,630	174,600	164,020	1,242,070
WELL 24A	131,730	107,000	139,450	143,460	90,540	25,300	8,230	2,860	2,600	31,230	63,650	79,070	847,760
WELL 24B	17,390	15,820	22,010	17,170	12,710	20,130	12,430	12,910	23,060	6,400	10,950	8,940	104,310
WELL 24C	0.000	0.000	0.000	0.000	105,140	136,890	143,260	130,450	138,270	136,130	124,800	126,360	1,031,650
South County Subtotal	515,652	457,628	528,776	541,623	607,336	577,617	565,845	512,673	560,444	622,698	726,969	707,884	8,924,652
Month Total	956,768	970,981	891,635	838,019	634,072	576,170	566,332	513,221	562,112	632,048	802,570	920,634	8,866,362
YTD Total	956,768	1,927,749	2,819,384	3,657,403	4,291,475	4,869,645	5,435,977	5,949,196	6,511,310	7,143,358	7,945,928	8,866,362	
Non-Agriculture Total	955,377	962,039	885,731	836,203	633,448	577,934	566,238	513,196	562,061	631,961	801,734	919,350	8,846,174
Agriculture Total	1,391	8,042	5,904	1,816	6,624	0,236	0,094	0,023	0,051	0,087	0,836	1,084	20,188
Month Total	956,768	970,981	891,635	838,019	634,072	578,170	566,332	513,221	562,112	632,048	802,570	920,634	8,866,362
YTD Non-Agriculture Total	955,377	1,918,316	2,804,047	3,640,250	4,273,698	4,851,632	5,417,870	5,931,068	6,483,129	7,125,090	7,926,824	8,846,174	
YTD Agriculture Total	1,391	9,433	15,337	17,153	17,777	16,013	16,107	18,130	18,181	18,268	19,104	20,188	
YTD Total	956,768	1,927,749	2,819,384	3,657,403	4,291,475	4,869,645	5,435,977	5,949,196	6,511,310	7,143,358	7,945,928	8,866,362	

Great Oaks Water Company  
Water Production - Acre Feet  
PUC FY 2021-2022

	JUL-21	AUG-21	SEP-21	OCT-21	NOV-21	DEC-21	JAN-22	FEB-22	MAR-22	APR-22	MAY-22	JUN-22	FY 2021-2022
WELL 1	69,725	83,353	23,047	1,913	0,120	0,001	0,081	0,000	0,104	0,004	0,178	0,131	178,717
WELL 2	8,551	0,058	4,689	1,822	0,092	0,000	0,092	0,123	0,000	0,000	2,312	0,000	17,780
WELL 3	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 4	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 7	0,000	0,156	0,000	0,155	0,000	0,000	0,000	0,000	0,000	0,000	0,258	0,071	0,640
WELL 8	161,769	180,278	173,375	198,533	52,663	8,983	12,156	37,445	73,938	95,947	117,901	142,270	1,213,270
WELL 9	111,668	100,278	91,000	58,125	14,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125
WELL 10	1,888	0,084	0,200	0,131	0,155	0,117	0,109	0,076	0,000	0,000	49,762	70,533	142,638
WELL 11	0,000	0,068	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,130	0,083	0,311
WELL 12	0,000	0,000	0,000	0,140	0,103	0,076	0,125	0,000	0,119	0,000	0,935	2,182	3,680
WELL 15	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 16	112,150	107,610	87,190	57,790	87,260	53,620	42,440	101,980	122,450	108,960	121,810	124,490	1,127,750
WELL 18	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 19	42,220	69,850	60,110	40,470	0,990	0,060	0,130	0,000	0,220	0,000	0,130	0,000	213,270
WELL 20	51,260	33,851	41,696	11,879	0,146	0,123	0,117	0,000	0,368	0,000	3,501	0,082	143,023
WELL 21	0,001	0,721	2,469	0,192	0,169	0,136	0,146	0,000	0,136	0,000	3,757	7,190	14,917
North County Subtotal	578,771	579,310	485,863	339,065	149,696	69,516	56,081	167,761	211,663	218,032	337,725	400,676	3,594,289
WELL 22	13,328	12,307	12,622	13,246	12,093	13,672	13,529	12,121	12,940	0,002	0,009	14,222	130,091
WELL 23	97,924	95,205	93,804	91,299	86,497	106,618	106,555	92,946	91,648	97,344	99,225	96,385	1,155,350
WELL 23A	90,300	84,430	83,300	86,610	78,920	89,950	92,910	58,490	122,510	123,510	125,730	119,440	1,196,300
WELL 24	179,210	172,770	172,470	185,910	182,360	188,810	189,830	167,260	174,640	175,470	178,970	161,900	2,134,200
WELL 24A	144,470	132,700	135,810	143,650	141,160	142,670	142,720	122,440	126,950	134,340	138,110	135,150	1,640,170
WELL 26	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 26S	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 26C	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
South County Subtotal	525,232	501,912	498,068	529,915	501,030	541,720	545,544	453,257	528,688	530,668	542,044	526,697	6,216,111
Month Total	1,104,003	1,081,222	983,869	869,920	650,716	611,236	601,625	621,018	740,551	748,698	879,769	927,773	9,810,400
YTD Total	1,104,003	2,185,225	3,169,094	4,029,014	4,679,730	5,260,966	5,892,591	6,513,609	7,254,160	8,002,656	8,862,627	9,810,400	
Non-Agriculture Total	1,102,699	1,080,134	962,804	859,208	650,613	611,133	601,483	620,628	739,927	748,078	878,525	926,474	9,801,706
Agriculture Total	1,304	1,088	1,065	0,712	0,103	0,103	0,142	0,390	0,624	0,620	1,244	1,299	8,694
Month Total	1,104,003	1,081,222	963,869	859,920	650,716	611,236	601,625	621,018	740,551	748,698	879,769	927,773	9,810,400
YTD Non-Agriculture Total	1,102,699	2,182,833	3,165,637	4,024,645	4,675,458	5,266,591	5,888,074	6,508,702	7,248,629	7,966,707	8,875,232	9,801,706	
YTD Agriculture Total	1,304	2,392	3,457	4,169	4,272	4,375	4,517	4,907	5,531	6,151	7,395	8,694	
YTD Total	1,104,003	2,185,225	3,169,094	4,029,014	4,679,730	5,260,966	5,892,591	6,513,609	7,254,160	8,002,656	8,862,627	9,810,400	

Great Oaks Water Company  
Water Production - Acre Feet  
PUC FY 2000-2021

	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	FY 2000-2021
WELL 1	71,089	70,842	23,517	5,186	0,000	0,174	0,900	0,000	0,127	2,118	61,412	100,449	335,794
WELL 2	131,083	124,979	82,377	52,176	1,746	2,216	51,768	4,217	0,600	16,222	16,085	3,332	488,780
WELL 3	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 4	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 7	0,385	0,376	0,102	0,000	0,357	0,126	0,000	0,222	0,000	0,000	0,045	0,000	1,593
WELL 8	148,549	163,265	176,756	161,896	162,944	162,944	5,239	61,105	68,000	64,830	178,680	194,711	1,683,298
WELL 9	108,542	108,542	108,542	108,542	108,542	108,542	57,904	57,904	57,904	57,904	108,542	118,542	938,542
WELL 10	3,443	3,443	0,000	0,143	0,000	0,138	0,000	0,000	0,111	0,442	0,000	0,588	5,448
WELL 11	0,386	0,000	0,000	0,000	0,000	0,083	0,000	0,000	0,116	0,058	0,000	0,000	0,515
WELL 12	0,231	0,040	0,000	0,109	0,000	0,134	0,000	0,000	0,116	0,058	0,000	0,000	0,718
WELL 15	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 16	114,050	122,610	99,590	72,270	20,180	17,100	13,720	0,040	0,170	0,420	0,000	42,480	502,630
WELL 18	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 19	75,720	78,240	71,970	74,320	63,780	47,470	68,660	11,430	23,110	55,770	58,820	64,720	692,010
WELL 20	196,346	188,698	169,435	157,267	48,146	15,961	109,042	16,150	13,086	71,174	69,990	54,469	1,109,864
WELL 21	9,228	13,150	-1,163	0,299	0,000	0,442	0,000	0,000	0,165	0,933	3,296	5,191	33,867
North County Subtotal	890,682	887,860	726,906	646,543	398,628	297,367	249,329	113,659	190,707	373,672	487,061	551,872	5,794,226
WELL 22	14,571	12,549	12,591	14,684	14,336	14,702	14,652	12,873	14,159	13,532	13,443	13,217	165,289
WELL 23	113,697	112,796	108,743	111,161	108,614	110,044	107,627	90,532	100,192	96,506	98,710	96,424	1,255,048
WELL 23A	108,180	114,270	117,460	121,150	116,680	121,980	105,270	94,600	106,440	98,570	105,720	98,610	1,310,130
WELL 24	145,200	147,250	148,920	155,310	154,740	165,960	185,840	169,100	187,400	179,340	185,080	178,980	2,014,130
WELL 24A	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 24B	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 24C	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 24D	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
South County Subtotal	382,848	386,867	386,714	402,265	394,570	412,686	435,449	497,793	563,111	537,248	556,133	532,541	5,490,947
Month Total	1,243,330	1,274,727	1,115,620	1,046,828	793,198	710,053	684,778	611,454	753,818	910,920	1,043,134	1,084,413	11,274,273
YTD Total	1,243,330	2,518,057	3,633,677	4,682,505	5,475,703	6,185,756	6,870,534	7,481,988	8,235,606	9,146,726	10,189,860	11,274,273	
Non-Agriculture Total	1,240,382	1,272,691	1,113,901	1,046,900	792,069	709,089	683,961	610,772	753,306	910,178	1,042,422	1,083,006	11,258,687
Agriculture Total	2,938	2,036	1,719	1,928	1,129	0,964	0,817	0,682	0,512	0,742	0,712	1,407	15,586
Month Total	1,243,330	1,274,727	1,115,620	1,046,828	793,198	710,053	684,778	611,454	753,818	910,920	1,043,134	1,084,413	11,274,273
YTD Non-Agriculture Total	1,240,382	2,513,063	3,626,984	4,673,684	5,465,953	6,175,042	6,859,003	7,469,775	8,223,081	9,133,259	10,175,681	11,258,687	
YTD Agriculture Total	2,938	4,974	8,683	8,821	9,750	10,714	11,531	12,213	13,467	14,179	15,586	15,586	
YTD Total	1,243,330	2,518,057	3,633,677	4,682,505	5,475,703	6,185,756	6,870,534	7,481,988	8,235,606	9,146,726	10,189,860	11,274,273	



Great Oaks Water Company  
Water Production - Acre Feet  
PUC FY 2019-2020

	JUL-19	AUG-19	SEP-19	OCT-19	NOV-19	DEC-19	JAN-20	FEB-20	MAR-20	APR-20	MAY-20	JUN-20	FY 2019-2020
WELL 1	8,443	10,112	0,000	0,000	0,165	0,000	0,155	0,000	0,000	0,000	124,765	76,688	221,618
WELL 2	167,662	161,810	143,000	121,866	65,056	15,694	16,100	30,650	20,338	4,176	40,693	86,295	921,688
WELL 3	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 4	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 5	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 6	0,000	0,236	0,000	0,039	0,010	0,001	0,075	0,000	0,054	0,044	0,096	0,102	0,657
WELL 7	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 8	185,345	171,925	167,812	172,013	143,780	39,987	85,254	70,626	116,239	96,693	47,326	114,308	1,413,308
WELL 9	125,735	123,017	95,556	122,917	119,756	100,978	24,169	106,661	119,440	115,009	89,752	106,007	1,248,997
WELL 10	24,411	66,140	40,970	3,234	0,000	0,000	0,164	0,000	0,111	0,000	0,197	9,029	144,356
WELL 11	0,000	0,000	0,465	0,107	0,356	0,285	0,377	0,256	0,481	0,680	0,245	0,158	3,410
WELL 12	0,025	0,221	0,361	0,000	0,000	0,000	0,366	0,000	0,189	0,000	0,282	0,196	1,641
WELL 13	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 14	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 15	0,040	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 16	126,050	112,120	86,970	76,630	41,960	6,780	45,630	13,000	21,550	18,380	98,020	96,530	749,600
WELL 17	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 18	73,990	68,750	65,910	66,960	61,810	32,510	3,620	57,860	64,480	64,420	91,220	72,430	723,960
WELL 19	0,000	29,773	67,247	23,959	4,386	0,834	2,297	0,099	0,415	32,695	124,862	188,184	474,771
WELL 20	46,010	25,080	1,473	0,154	0,000	0,000	0,115	0,000	0,265	0,048	4,352	3,954	61,062
WELL 21	759,011	769,194	672,225	569,969	437,260	197,059	178,612	280,760	345,544	372,127	629,667	756,641	5,969,419
North County Subtotal	15,686	15,464	14,942	15,248	14,825	15,103	15,207	14,046	14,698	14,512	14,738	14,340	178,809
WELL 22	116,669	113,089	110,595	113,023	110,128	111,316	114,240	107,551	110,660	108,673	112,289	109,398	1,336,813
WELL 23	140,695	137,067	133,330	134,680	131,180	131,090	132,600	121,430	128,980	122,470	119,940	114,850	1,547,712
WELL 24	148,300	147,260	147,780	150,990	146,220	151,360	152,660	141,910	151,070	146,360	151,990	147,440	1,767,960
WELL 24A	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 24B	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 24C	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
WELL 24D	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
South County Subtotal	421,640	411,900	406,637	413,941	404,353	408,871	414,707	384,937	404,706	394,015	396,957	396,028	4,650,694
Month Total	1,180,651	1,181,084	1,078,862	1,003,850	841,633	605,930	583,319	665,697	750,252	766,142	1,026,024	1,144,669	10,840,113
YTD Total	1,180,651	2,361,735	3,440,597	4,444,447	5,286,080	5,892,010	6,465,329	7,151,028	7,901,278	8,667,420	9,695,444	10,840,113	
Non-Agriculture Total	1,177,654	1,176,167	1,077,647	1,003,333	841,045	605,596	583,161	665,464	748,669	765,435	1,027,060	1,143,556	10,636,331
Agriculture Total	2,697	3,917	1,015	1,517	1,565	1,342	1,451	1,564	1,609	1,687	2,964	3,563	204,782
Month Total	1,180,651	1,181,084	1,078,862	1,003,850	841,633	605,930	583,319	665,697	750,252	766,142	1,026,024	1,144,669	10,840,113
YTD Non-Agriculture Total	1,177,654	2,357,151	3,434,998	4,437,331	5,278,376	5,883,964	6,471,125	7,142,609	7,892,278	8,657,713	9,684,773	10,626,331	
YTD Agriculture Total	2,697	4,584	5,599	7,116	7,704	8,046	8,204	8,417	9,000	9,707	10,671	11,782	
YTD Total	1,180,651	2,361,735	3,440,597	4,444,447	5,286,080	5,892,010	6,465,329	7,151,028	7,901,278	8,667,420	9,695,444	10,840,113	

**Attachment 12:**  
**Great Oaks' Response to Cal Advocates**  
**Office' Data Request LCN-007 (MISC.), Q4B**

<b>Great Oaks Water Company</b>	
<b>Purchased Power Expense</b>	
	<b>Recorded</b>
	<b>2023/2024</b>
Total Purchased Power Expense	\$1,051,869
Water Production (AF)	9,110
Water Production (CCF)	3,968,404
Wells, KWH	3,385,111
Boosters, KWH	339,013
Total KWH	3,724,124
KWH/AF	409
KWH/CCF	0.94
Wells KWH/CCF	0.85
Booster KWH/CCF	0.09
Purchased Power, \$/KWH	\$0.28245
Average % - Wells	90.90%
Average % - Boosters	9.10%

1

**Attachment 13:  
Great Oaks' Response to Cal Advocates  
Office' Data Request LCN-002 (Retirement  
Plan), Q1D**

- d. Provide the entire Defined Contribution Plan that GOWC plans to implement, and confirm whether there will be any employer match to periodic employee contributions.

Response: The Defined Contribution Plan will start on January 1, 2026. GOWC will establish a 401(k) plan that provides a Safe Harbor plan where the Company will contribute a Nonelective Safe Harbor contribution of 20%. There will be no employer match to periodic employee contributions.

**Attachment 14:  
Great Oaks' Response to Cal Advocates  
Office' Data Request LCN-002 (Retirement  
Plan), Q1A**

## **Employee Retirement Plan**

1. Please refer to Exhibit D – CHAPTER 5 Operating Expenses, PDF pages 30-32 and Exhibit E – Great Oaks Water Company GRC Workpapers – 2024(4124610.1), tab “WP7 – Employee Benefits” for the questions below.
  - a. Since GOWC proposes to fully amortize and close out the current Pension Expense Balancing Account (PEBA), how does GOWC plan to rectify any differences between the actual Defined Contribution Plan cost versus the adopted cost?

4149921.1

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Response: The cost to provide and to administer the Defined Contribution Plan for GOWC’s employees to save for retirement can be estimated in advance and calculated in-house. Since the Plan guarantees the amount of contribution to the retirement plan, instead of the amount of benefit employees receive during retirement, the formula to calculate the estimated annual contribution is much simpler and can be based on an employee’s annual salary. Therefore, the risk of having a substantial difference in the actual Defined Contribution Plan cost versus the adopted cost is statistically insignificant.

**Attachment 15:  
Great Oaks' Response to Cal Advocates  
Office' Data Request DG-011 (Meters Follow-  
Up), Q1A**



- a. Explain GOWC's plan for replacing between 1,400 to 2,365 meters for the current GRC cycle with annual budgets of \$203,449 for 2025/2026, \$208,332 for 2026/2027, and \$213,749 for 2027/2028, which are each less than GOWC's recorded 2021 cost of \$242,027 for 217 meter replacements. Refer to GOWC's Exhibit E workpapers, tab WP18, cells K39, L39, and M39.

Response: GOWC plans to hire additional field service staff to assist the current team to do the meter replacement as all meter replacement is done by in-house employees. To avoid expense duplication in multiple workpapers, additional cost of meter replacement is reflected in the salary expense of the new field service staff that is reflected in a new line item in WP10 – Employees & Salaries in row 37. Please note that the new staff will also assist the team in following the Lead and Copper Rule Revisions guideline.

**Attachment 16:  
Great Oaks' Response to Cal Advocates  
Office' Data Request DG-007 (Meters &  
Vehicles), Q2A And 2B**

2. In response to DR DG-002, Q.7., GOWC provided the following table:

**Table 1**

	2019	2020	2021	2022	2023
Total Cost of meter replacement	\$81,123	\$38,752	\$242,027	\$289,356	\$302,209
Number of Meters Replaced	365	60	217	282	103
Average Cost of a Meter Replacement	\$222	\$646	\$1,115	\$1,026	\$2,934

- a. Explain what factors contributed to the increase in number of meters replaced from 60 in 2020 to 217 in 2021.

Response: In 2020, GOWC did not replace as many meters due to the office and the warehouse being closed following the COVID-19 emergency regulations.

Great Oaks Water Company Response to  
Public Advocates Office Data Request DG-007

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- b. Explain what factors contributed to the decrease in number of meters replaced from 282 in 2022 to 103 in 2023.

Response: GOWC does not have a dedicated staff to do meters replacement. The number of meter replacement changes from year to year due to several factors. Some of those factors, are the number of meter inspections scheduled, the availability of staff, and daily projects that need immediate attention, which affect the priority of meter replacement projects.

**Attachment 17:  
Great Oaks' Response to Cal Advocates  
Office' Data Request LCN-001 (New  
Position), Q1BII**

b. For the 2014-2024 period, state whether GOWC has used in-house employees or hired outside contractors for the tasks listed below:

i. Replace old meters;

Response: GOWC has used in-house employees to replace old meters and does not plan to use outside contractors to replace old meters.

ii. Take and maintain inventory of service line materials.

Response: GOWC has used in-house employees to take and maintain inventory of service line materials.

**Attachment 18:  
Great Oaks' Response to Cal Advocates  
Office' Data Request DG-013 (Field Visit  
Follow-Up), Q5A**

5. In accordance with the EPA's Lead and Copper Rule Revisions (LCRR), provide a status update of GOWC's requirement to provide the State Water Resources Control Board with a list of its service line inventory by October 16, 2024.<sup>2</sup>
  - a. For each additional LCRR requirement, provide a timeline of when GOWC plans to complete each one.<sup>3</sup>

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<sup>2</sup> [Revised Lead and Copper Rule | US EPA](#)

<sup>3</sup> [2021 LCRR Implementation Fact Sheet \(epa.gov\)](#)

**Response:** Great Oaks has completed approximately 35% of the customer service line inventory. Great Oaks intends to submit the completed survey to the Water Board before October 16. Great Oaks plans to complete the following requirements, if applicable, by the dates shown:

- Submission of initial inventory to the State October 16, 2024 40 CFR 141.90(e)(1)  
Failure to submit initial inventory to the State by October 16, 2024 requires Tier 3 Public Notification (PN). Starting October 16, 2024. 40 CFR Appendix A to Subpart Q of Part 141 I.C.1 (exclude Tier 3 notification for 141.90 except 141.90(e) (1), (e)(13), and (f)(4)).
- Notification of Service Line Material and Associated Reporting Notification of known or potential service line containing lead within 30 days of completion of the inventory (initial) and repeat notification on an annual basis until the entire service connection is no longer lead, galvanized requiring replacement, or unknown. For new customers, water systems shall also provide the notice at the time of service initiation. Within 30 days of completion of the inventory and then annually. 40 CFR 141.85(e).
- Provide revised lead health effects language in public education materials to ensure consistent notification messaging with PN requirements (as referenced in 141.85(e)).  
Starting October 16, 2024. 40 CFR 141.85(e)(3) requires health information meeting the requirements of 40. CFR 141.85(a)(1)(ii).
- Annual reporting to the State by July 1 that the system provided notification and delivered lead service line information materials to affected consumers with lead, galvanized requiring replacement, or unknown service lines for the previous calendar year.  
Water systems shall provide a copy of the notification and information materials to the State. July 1, 2025 and then annually. 40 CFR 141.90(e)(13), 40 CFR 141.90(f)(4).
- Failure to certify to the State that the system notified persons served at service connections of a known or potential service line containing lead requires Tier 3 PN.

Starting October 16, 2024 40 CFR Appendix A to Subpart Q of Part 141 I.C.1 (exclude Tier 3 for 141.90 except 141.90(e)(1), (e)(13), and (f)(4)).

- Public Notification and Associated Reporting Exceedance of the lead action level as specified in § 141.80(c) requires Tier 1 PN provided to persons served by the water system no later than 24 hours after the system learns of the exceedance.  
Starting October 16, 2024 40 CFR 141.201(a)(3)(vi) (In Table 1 to § 141.201), 40 CFR 141.202(a)(10) (In Table 1 to § 141.202), 40 CFR Appendix A to Subpart Q of Part 141 C.2.
- A copy of the Tier 1 PN for lead action level exceedance must be sent to the primacy agency and the EPA Administrator no later than 24 hours after the system learns of the exceedance.  
Starting October 16, 2024 40 CFR 141.201(c)(3), 40 CFR 141.31(d)(2).
- Provide revised lead health effects language as required in Tier 1 PN for lead action level exceedance and Tier 2 and 3 PN for violations. Starting October 16, 2024. 40 CFR Appendix B (D.23) to Subpart Q of Part 141.
- Initial Inventory and Associated Reporting States reporting to EPA - For each public water system, the number of lead, galvanized requiring replacement, and lead status unknown service lines in its distribution system, reported separately. States receive information in Q4 2024 and report this information by the end of Q1 2025 (3/31/25) for the initial inventory. 40 CFR 142.15(c)(4)(iii)(D).
- Quarterly reports to the Administrator include any system violations for failure to submit initial inventory to the State. States receive information in Q4 2024 report this information by the end of Q1 2025 (3/31/25) for the initial inventory. 40 CFR 142.15(a)(1).
- Notification of Service Line Material and Associated Reporting Quarterly reports to the Administrator include any system violations for failure to certify notifications. States receive information in Q4 2024 report this information by the end of Q1 2025 (3/31/25). 40 CFR 142.15(a)(1).
- Public Notification and Associated Reporting Quarterly reports to the Administrator include any system violations for failure to conduct Tier 1 PN. States receive information in Q4 2024 report this information by the end of Q1 2025 (3/31/25). 40 CFR 142.15(a)(1).
- Reporting of 90th percentile lead concentrations where the State calculates a water system's 90th percentile concentrations: The State provides the results of the 90<sup>th</sup> percentile lead calculations, in writing, to the water system within 15 days of the end of the tap sampling period. Within 15 days of the end of tap sampling periods. Next sampling period ends 12/31/2026. 40 CFR 141.90(h)(3).



**Attachment 19:  
Great Oaks' Response to Cal Advocates  
Office' Data Request HMC-001**



## GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: June 21, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Herbert Merida**  
Analyst  
Public Advocates Office

Phone: (415) 703-5998  
Email: [Herbert.merida@cpuc.ca.gov](mailto:Herbert.merida@cpuc.ca.gov)

**RE: Great Oaks Water Company Response to Public Advocates Office DR HMC-001  
(Rate Design, Revenue, Conservation)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request HMC-001 (Rate Design, Revenue, Conservation).

### **DATA REQUESTS**

1. Please provide the monthly centum cubic feet (“CCF”) consumption data for each of GOWC’s customers per district for the most recent 12-month period and the 4 last recorded years (2020, 2021, 2022, 2023). Please provide this per Customer Class (i.e., residential, commercial, etc.) in a workable Excel format (one Excel file per district) with a separate row providing the consumption over the 12-month period for each customer including the meter-size for servicing the customer, the total for the 12month period, the average for the 12-month period, and the summer and winter averages. Provide a separate Excel Tab/Worksheet for each different Customer Class. See the format example below:

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2019

Customer Identifier	Meter Size	Month 1	Month 2	Month 3	Month....	Total	Average	Summer Average	Winter Average
#1	5/8in	7.55	8.12	7.87	...				
#2	3/4in	4.5	6	8.25	...				

Response: See Attachment 1a, 1b, 1c and 1d in Excel format for year 2020, 2021, 2022 and 2023. Note, except for commercial customers, water consumption is recorded every other month as customer's meters are read on a bi-monthly basis.

2. Please compare in a workable Excel format, a 2024 average monthly bill for residential customers under the current rates and fixed cost recovery to the 2024 average monthly bill for residential customers under the proposed rates and fixed cost recovery. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all documents if necessary. See the format example below:

	Proposed At Current	Proposed TY 2025
Volumetric rates differential	15%	25%
Fixed Cost Recovery	30%	50%
Service Charge	\$ 26.30	\$ 43.84
Commodity Charge	\$4.73	\$3.30
Total Commodity Charge * CCF	\$ 55.93	\$ 39.05
Monthly Bill*	\$ 82.23	\$ 82.89
(\$) Increase		\$0.66
(%) Increase		0.80%
CAP Surcharge	\$5.74	\$4.19
Total Monthly Bill w/CAP charge	\$87.97	\$87.08
(\$) Increase		(\$0.89)
(%) Increase		-1.02%

\*Based on a residential customer with 5/8 x 3/4" meter size using 11.83 Ccf of water. Excludes applicable surcharges and PUC fees.

Response: Residential customers can be either CAP or "Non-CAP" customers. The question is presumed to ask for the average monthly bill for Non-CAP customers. The water consumption of 10 CCF per month is used for an average monthly bill for residential customers. See Attachment 2 tab "Non-CAP customers avg bill" for the detailed calculation of the average monthly bill.

3. Please compare in a workable Excel format, a 2024 average monthly bill for Customer Assistance

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Great Oaks Water Company Response to Public Advocates Office Data Request HMC-001

2

Program ("CAP") customers under the current rates and fixed cost recovery to the 2024 average monthly bill for Customer Assistance Program ("CAP") customers under the proposed rates and fixed cost recovery. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all documents if necessary. See format example below:

	<b>Proposed At Current</b>	<b>Proposed TY 2025</b>
Volumetric rates differential	15%	25%
Fixed Cost Recovery	30%	50%
Service Charge	\$ 26.30	\$ 43.84
Commodity Charge	\$ 4.73	\$3.30
Total Commodity Charge * CCF	\$ 55.93	\$ 39.05
Monthly Bill*	<u>\$ 82.23</u>	<u>\$ 82.89</u>
(\$ ) Increase		\$0.66
(%) Increase		0.80%
Discount	(\$8.17)	(\$10.00)
Total CAP Monthly Bill	<b>\$74.06</b>	<b>\$72.89</b>
(\$ ) Increase		(\$1.17)
(%) Increase		-1.58%
*Based on a residential customer with 5/8 x 3/4" meter size using 11.83 Ccf of water. Excludes applicable surcharges and PUC fees.		

Response: The water consumption of 10 CCF per month is used for an average monthly bill for residential customers. See Attachment 2 tab "CAP customers avg bill".

4. Please compare in a workable Excel format, a 2024 average monthly bill for non-CAP customers under the current rates and fixed cost recovery to a 2024 average monthly bill for non-CAP customers under the proposed rates and fixed cost recovery. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all documents if necessary. See format from question 2.

Response: See attachment 2 tab "Non-CAP customers avg bill".

5. For service connections, please provide the following information per district for the years 2019 through 2023 in an electronic Excel spreadsheet of calculations, including links, and all documents if necessary:
  - a. New service connections.

- b. Service disconnections.
- c. Service disconnections for non-payment.
- d. Service disconnections for non-payment as compared to all service disconnections.
- e. Net new service connections.
- f. The percentage of net new service connections of total service connections.

Response: See Attachment 3 in Excel format.

- 6. For the Customer Assistance Program (“CAP”), please provide the following information for the years 2019 through 2023 in an electronic Excel spreadsheet of calculations, including links, and all documents if necessary:
  - a. Monthly average CAP consumption vs. non-CAP consumption in CCF.
  - b. Total CAP consumption.
  - c. Average residential monthly customer bills, CAP/non-CAP. (In format of questions 3 and 4)
  - d. Percent change of monthly residential customer bill, CAP/non-CAP.
  - e. Percentage of average monthly residential bill comprised of surcharges, CAP/non- CAP

Response: See Attachment 4a for questions 6.a and 6.b. See Attachment 4b for questions 6.c, 6.d and 6.e.

- 7. Please provide the CAP tables found in section V. on pages 14-15 of GOWC’s Result of Operations Report Chapter 4 Exhibit D in an electronic Excel spreadsheet of calculations, including links. Please include any supporting documents if necessary.

Response: See Attachment 5.

- 8. In section I.A.f. on pages 1-2 of GOWC’s Result of Operations Report Chapter 9 Exhibit D, three quotes for GOWC’s WaterSmart Program are provided. Please provide the documentation and analysis that supports these quote amounts. Be sure to include any documents (invoices, cost estimate breakdowns, etc.) received from WaterSmart Program Inc. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all documents if necessary.

Response: The WaterSmart Program Inc cost is expected to increase every year. The estimated annual cost for the Test Year 2025- 2026 is estimated to increase and is estimated to be \$132,000. For the two subsequent Escalation Years, the annual costs are escalated by the escalation rate found in the March 2024 CPUC Escalation Rate Memo at 2.10% and 2.34% to \$134,772 and \$137,939, respectively. See Attachment 6 for the 2023-2024 contract agreement with WaterSmart Program.

9. Please explain why GOWC needs to increase the annual budget for the WaterSmart Program.

Response: GOWC needs to increase the annual budget for the WaterSmart Program to cover the expected inflationary increase with the WaterSmart Program annual cost.

10. Please provide the total fiscal year cost of the WaterSmart Program for each year since its implementation.

Response: See table below:

<b>Fiscal Year</b>	<b>WaterSmart Program Cost</b>
2014-2015	\$120,000
2015-2016	\$100,000
2016-2017	\$100,000
2019-2020	\$105,658
2020-2021	\$105,568
2022-2023	\$106,161
2023-2024	\$122,097
2024-2025	\$124,665*

\*Estimated cost for fiscal year 2024-2025

11. Regarding GOWC’s WaterSmart Program

a. Are all GOWC customers enrolled in the WaterSmart Program?

Response: Not all GOWC customers enrolled in the WaterSmart Program.

b. Is the program available for all customer classes?

Response: Yes, the program is available for all customer classes.

c. If the answer to 11a is no, please provide the total number of customers enrolled in the WaterSmart Program for each customer class for the past 5 fiscal years.

Response: See table below for the total number of customers enrolled in the WaterSmart Program for the past 5 fiscal years

Year	# of enrollees
2023	58
2022	134
2021	146
2020	115
2019	116

d. If the answer to 11a is no, what is the estimated number of enrollees for each of the test years in this GRC (2025/2026, 2026/2027, 2027/2028)

Response: It is estimated that the number of enrollees for each of the test years will be between 100 -150 enrollees.

12. Is the WaterSmart Program the only conservation expense GOWC expects to incur? If no, please provide a list of all other conservation expense items. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all documents if necessary. Include the following for each:

Response WaterSmart Program is the only conservation expense GOWC expects to incur.

- a. The itemized cost for each of the test years in this GRC (2025/2026, 2026/2027, 2027/2028).

Response: Not applicable.

- b. Where in GOWC's workpapers the cost is recorded. Please include the workpaper tab and cell

Response: See WP6 – A&G Expense, row 19 under GL account 798 - Outside Services.

### VERIFICATIONS

I, Jim Mashburn, am Information Technology Director for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request HMC-001, questions no. 1 and 5 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at San Jose, California on June 21, 2024.

\_\_\_\_\_  
/s/  
Jim Mashburn

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request HMC-001 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on June 21, 2024.

\_\_\_\_\_  
/s/  
Juan Liem



**Attachment 20:  
Great Oaks' Response to Cal Advocates  
Office' Data Request HMC-004**



## GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: July 30, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Herbert Merida**  
Analyst  
Public Advocates Office

Phone: (415) 703-5998  
Email: [Herbert.merida@cpuc.ca.gov](mailto:Herbert.merida@cpuc.ca.gov)

**RE: Great Oaks Water Company Response to Public Advocates Office DR HMC-004 (Conservation)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request HMC-004 (Conservation).

### DATA REQUESTS

1. In the Urban Water Management Plan submitted by GOWC on 7/1/21, GOWC stated that the WaterSmart program was implemented in 2015 with 10,000 customers in the program. In GOWC's response to data request CR8-004 question 3 from the previous GRC, GOWC stated "At present, all but the "control group" are enrolled in the WaterSmart Program. Great Oaks is proposing to include all customers in the Program." In question 3 c. from the same data request, when asked what the estimated number of enrollees for fiscal years 2022/2023 and 2024/2025 were, GOWC stated: "The estimated number of enrollees in each

year is 21,500.” In GOWC’s response to HMC-001 question 11 c., GOWC stated that in 2022 there were 134 customers enrolled in the WaterSmart program and in 2023 there were 58. In question 11 d. from the same data request, GOWC stated: “It is estimated that the number of enrollees for each of the test years will be between 100 -150 enrollees.”

a. How many customers are currently enrolled in the WaterSmart program?

Response: The current total active accounts of GOWC’s customers in the WaterSmart program as of July 24, 2024 is 21,041. A new customer with water consumption is automatically added to the active account with WaterSmart Program. The numbers in 2022 and 2023 for 134 and 58 as stated in GOWC’s response to HMC-001 question 11c represented the number of customers that have registered in the online platform to access their own water reports.

b. Please provide an updated response to data request HMC-001 question 11 c., if necessary.

Response: The updated response to HMC-001 question 11 a is “yes” because all GOWC customers are enrolled in the WaterSmart Program. While all GOWC customers are enrolled, customers that do not have water consumption will show up as Inactive Account. Since the answer to HMC-001 question 11a is “yes”, then the updated response to HMC-001 question 11 c is “no answer is needed”.

c. Please provide an updated response to data request HMC-001 question 11 d. if necessary.

Response: Since the answer to HMC-001 question 11a is “yes”, then the updated response to data request HMC-001 question 11 d. is “no answer is needed”.

d. Does GOWC still have a “control group” that is not enrolled in the program? If so, please provide the number of customers in the “control group.”

Response: GOWC has 5,000 customers in “control group” that is enrolled in the program.

2. Referring to “Great Oaks Water Company Response to DR HMC-001 Attachment 6”, please explain how GOWC estimated the quantities used for the annual total prices in the order form (62,400 for printing water reports and 21,500 for the platform). Include all assumptions, calculations and the source of the data used in Excel format.

Response: GOWC did an estimated quantities calculation of 62,400 by multiplying the number of water report that will be mailed to the initial customers of 10,000 on a bi-monthly basis following the water bill. That is six water reports a year for 10,000 customers. The quantities for the platform is the estimated number of GOWC’s total customers.

#### VERIFICATIONS

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company’s Responses to Public Advocates Office Data Request HMC-004 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on July 30, 2024.

\_\_\_\_\_  
/s/  
Juan Liem

**Attachment 21:  
Great Oaks' Response to Cal Advocates  
Office' Data Request HMC-002**



## GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: July 18, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Herbert Merida**  
Analyst  
Public Advocates Office

Phone: (415) 703-5998  
Email: [Herbert.merida@cpuc.ca.gov](mailto:Herbert.merida@cpuc.ca.gov)

**RE: Great Oaks Water Company Response to Public Advocates Office DR HMC-002 (Conservation)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request HMC-002 (Conservation).

### **DATA REQUESTS**

1. Referring to GOWC's answer to Question 8 of Cal Advocates' Data Request HMC-001, please provide the calculations of how GOWC came up with the estimated annual cost of \$132,000 for Test Year 2025- 2026 for the WaterSmart Program. Please explain and/or support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all documents if necessary.

Response: Since this is an estimated cost, GOWC applied the 5% of CPI-U for services and consumer-related items found in March 2024 Escalation Memo to the 2024/2025 WaterSmart Program invoice of \$124,665.38 for the annual cost of \$132,000 for Test Year 2025-2026..



**Attachment 22:**  
**Great Oaks' Response to Cal Advocates**  
**Office' Data Request HMC-005**





# GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: August 2, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Herbert Merida**  
Analyst  
Public Advocates Office

Phone: (415) 703-5998  
Email: [Herbert.merida@cpuc.ca.gov](mailto:Herbert.merida@cpuc.ca.gov)

**RE: Great Oaks Water Company Response to Public Advocates Office DR HMC-005 (CAP and Revenue)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request HMC-005 (CAP and Revenue).

## DATA REQUESTS

1. Please provide the amount of Customer Assistance Program (“CAP”) sales in hundred cubic feet (“CCF”) in Excel for the past 5 fiscal years in the following format:

Fiscal Year	CAP Sales (CCF)
2019/2020	
2020/2021	

2021/2022	
2022/2023	
2023/2024	

Response: See Attachment 1

- Referring to GOWC’s response to HMC-004 question 1, do the estimates on tab “WP11 – Customers” within “Great Oaks Water Company GRC Workpapers – 2024” include the customers that you provided through GOWC’s response to HMC-004 question 1? Please explain and support with workpapers, an electronic Excel spreadsheet of calculations, including links, and all documents if necessary.

Response: Yes, the customers that are on tab “WP11-Customers” within “Great Oaks Water Company GRC Workpapers – 2024” is for all customers. Therefore, the estimates total customers on tab “WP11 – Customers” within “Great Oaks Water Company GRC Workpapers – 2024” includes the customers that was provided in GOWC’s response to HMC-004 question 1.

- Referring to GOWC’s response to HMC-004 question 2, GOWC provided 2 invoices for the Agriculture customer class. How many Agriculture customers does GOWC currently have? Include all assumptions, calculations, and the source of the data used in Excel format.

Response: As of July 31, 2024, GOWC has 10 Agriculture customers.

### VERIFICATIONS

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company’s Responses to Public Advocates Office Data Request HMC-005 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on August 2, 2024.

\_\_\_\_\_  
/s/  
Juan Liem

Great Oaks Water Company Response to  
Public Advocates Office Data Request HMC-005

**Attachment 23:  
Great Oaks' Response to Cal Advocates  
Office' Data Request PAD-003 Attachment 1**

Great Oaks Water Company

Working Cash Requirement

Detailed Calculation

2022/2023												
Revenue Lag Collection Calculation												
Month	Accounts Receivable Balance Amount \$	NOT Including Unbilled Receivables	Average Balance	Number Of Days In Month	Total Dollar Day	Month	Total Sales Amount (\$)	Metered Sales Amount (\$)	Unmetered Sales Amount (\$)	As Of Date	Accounts Receivable Balance Amount \$ Including Unbilled Receivables	Accounts Receivable Balance Amount \$ NOT Including Unbilled Receivables
6/21/2022	1,947,004									6/21/2022	3,624,025	1,947,004
7/25/2022	3,196,639		2,571,822	31	79,726,482	July 2022	2,511,460	2,496,745	14,715	7/25/2022	4,873,661	3,196,639
8/24/2022	3,044,861		3,120,730	31	96,749,230	August 2022	2,565,586	2,490,735	14,851	8/24/2022	4,721,882	3,044,861
9/25/2022	2,388,859		2,716,860	30	81,506,800	September 2022	2,244,327	2,229,469	14,858	9/25/2022	4,065,880	2,388,859
10/27/2022	2,133,850		2,261,354	31	70,101,974	October 2022	1,890,778	1,875,998	14,780	10/27/2022	3,810,871	2,133,850
11/28/2022	1,675,577		1,904,713	30	57,141,390	November 2022	1,922,937	1,908,081	14,856	11/28/2022	3,352,598	1,675,577
12/30/2022	1,694,392		1,684,984	31	52,234,504	December 2022	1,429,683	1,444,771	14,912	12/30/2022	3,272,103	1,694,392
1/31/2023	1,951,603		1,822,997	31	56,512,907	January 2023	1,753,961	1,739,065	14,896	1/31/2023	3,529,314	1,951,603
3/4/2023	1,848,266		1,899,935	28	53,198,180	February 2023	1,578,416	1,559,934	15,482	3/4/2023	3,425,977	1,848,266
4/5/2023	1,496,171		1,672,219	31	51,838,789	March 2023	1,480,450	1,468,877	15,573	4/5/2023	3,073,882	1,496,171
5/7/2023	1,226,986		1,361,578	30	40,847,340	April 2023	1,301,928	1,286,310	15,618	5/7/2023	2,804,697	1,226,986
6/8/2023	1,252,193		1,239,589	31	38,427,259	May 2023	1,745,048	1,729,426	15,622	6/8/2023	2,829,904	1,252,193
7/10/2023	1,168,420		1,210,307	30	36,309,210	June 2023	1,652,706	1,637,013	15,693	7/10/2023	2,746,132	1,168,420
365 Days of Accounts Receivable				(A)	714,557,085	2022/2023 Total	22,044,281	21,862,425	181,856		42,506,902	23,077,817
Total Sales After Adjusting Net Unbilled Revenue												
Total Annual Metered Sales												
Net Change in Unbilled Revenue												
Total Sales After Adjust Net Unbilled Rev												
Net Change in Unbilled Revenue												

**Revenue Lag Days Calculation - 2022/2023**

Total Sales After Adjusting Net Unbilled Revenue:		(B)	22,143,591
Average Estimatable Lag Days From Service To Billing			
Total Dollar Days Of Unbilled Sales		(D) = (B) x (C)	695,677,805
365 Days Of Accounts Receivable		From (A)	714,587,085
Total Dollar Days		E = (A) + (D)	1,410,264,890
<b>Revenue Lag Days - Metered Revenue</b>		(E)/(B)	<b>63.69</b>
<b>Expense Lag Days</b>			<b>15.46</b>
<b>Net Lag Days</b>			<b>48.23</b>

Detailed Working Cash Calculation - 2022/2023		
	Total Expense	Working Cash
Total	19,031,355	2,514,746

**Revenue Lag Days Calculation - 2022/2023**

Total Sales After Adjusting Net Unbilled Revenue:		(B)	22,807,898
Average Estimatable Lag Days From Service To Billing		*(C)	31.42
Total Dollar Days Of Unbilled Sales		(D) = (B) x (C)	716,548,139
365 Days Of Accounts Receivable		From (A)	736,024,698
Total Dollar Days		E = (A) + (D)	1,452,572,837
<b>Revenue Lag Days - Metered Revenue</b>		(E)/(B)	<b>63.69</b>
<b>Expense Lag Days</b>			<b>17.48</b>
<b>Net Lag Days</b>			<b>46.21</b>

Detailed Working Cash Calculation - 2023/2024		
	Total Expense	Working Cash
Total	25,678,644	3,250,987

**Revenue Lag Days Calculation - 2024/2025**

Total Sales After Adjusting Net Unbilled Revenue:		(B)	23,492,135
Average Estimatable Lag Days From Service To Billing		*(C)	31.42
Total Dollar Days Of Unbilled Sales		(D) = (B) x (C)	738,044,583
365 Days Of Accounts Receivable		From (A)	758,105,438
Total Dollar Days		E = (A) + (D)	1,496,150,021
<b>Revenue Lag Days - Metered Revenue</b>		(E)/(B)	<b>63.69</b>
<b>Expense Lag Days</b>			<b>17.84</b>
<b>Net Lag Days</b>			<b>45.85</b>

Detailed Working Cash Calculation - 2024/2025		
	Total Expense	Working Cash
Total	27,438,880	3,446,774

**Revenue Lag Days Calculation - 2025/2026**

Total Sales After Adjusting Net Unbilled Revenue:		(B)	24,196,899
Average Estimatable Lag Days From Service To Billing		*(C)	31.42
Total Dollar Days Of Unbilled Sales		(D) = (B) x (C)	760,185,920
365 Days Of Accounts Receivable		From (A)	780,848,602
Total Dollar Days		E = (A) + (D)	1,541,034,522
<b>Revenue Lag Days - Metered Revenue</b>		(E)/(B)	<b>63.69</b>
<b>Expense Lag Days</b>			<b>18.15</b>
<b>Net Lag Days</b>			<b>45.54</b>

**Detailed Working Cash Calculation - 2025/2026**

	Total Expense	Working Cash
Total	29,321,549	3,658,365

**Revenue Lag Days Calculation - 2026/2027**

Total Sales After Adjusting Net Unbilled Revenue:		(B)	24,922,806
Average Estimatable Lag Days From Service To Billing		*(C)	31.42
Total Dollar Days Of Unbilled Sales		(D) = (B) x (C)	782,991,498
365 Days Of Accounts Receivable		From (A)	804,274,060
Total Dollar Days		E = (A) + (D)	1,587,265,558
<b>Revenue Lag Days - Metered Revenue</b>		(E)/(B)	<b>63.69</b>
<b>Expense Lag Days</b>			<b>18.50</b>
<b>Net Lag Days</b>			<b>45.19</b>

**Detailed Working Cash Calculation - 2026/2027**

	Total Expense	Working Cash
Total	31,334,451	3,879,463

**Revenue Lag Days Calculation - 2027/2028**

Total Sales After Adjusting Net Unbilled Revenue:		(B)	25,670,490
Average Estimatable Lag Days From Service To Billing		*(C)	31.42
Total Dollar Days Of Unbilled Sales		(D) = (B) x (C)	806,481,243
365 Days Of Accounts Receivable		From (A)	828,402,281
Total Dollar Days		E = (A) + (D)	1,634,883,524
<b>Revenue Lag Days - Metered Revenue</b>		(E)/(B)	<b>63.69</b>
<b>Expense Lag Days</b>			<b>18.83</b>
<b>Net Lag Days</b>			<b>44.86</b>

**Detailed Working Cash Calculation - 2027/2028**

	Total Expense	Working Cash
Total	33,610,561	4,130,876

Revenue & A/R Escalation Factor				
2023/2024	3.0%			
2024/2025	3.0%			
2025/2026	3.0%			
2026/2027	3.0%			
2027/2028	3.0%			
Groundwater Charge Escalation Factor				
2023/2024	15.0%			
2024/2025	15.0%			
2025/2026	15.0%			
2026/2027	15.0%			
2027/2028	15.0%			
Purchased Power Escalation Factor				
2023/2024	21.3%			
2024/2025	5.6%			
2025/2026	9.0%			
2026/2027	0.2%			
2027/2028	0.2%			
Labor Escalation Factor				
2023/2024	8.0%			
2024/2025	4.1%			
2025/2026	3.0%			
2026/2027	2.1%			
2027/2028	2.7%			
Non Labor Escalation Factor				
2023/2024	0.0%			
2024/2025	-1.3%			
2025/2026	-0.3%			
2026/2027	1.0%			
2027/2028	1.4%			

Expense Lag Days Calculation - 2022/2023						
Account	Amount	Avg No Of Days Lag	Dollar-Days Lag	2023/2024		
Acct 700 - Groundwater Charges	7,360,654	25	184,016,347	13,502,896	337,572,400	
Labor - Acct 711 - Maint Of Wells	204,318	14	2,860,457	220,664	3,089,294	
Labor - Acct 721 - Wells Ops Spvsn	234,261	14	3,279,657	253,002	3,542,030	
Labor - Acct 732 - Maint Pump Equip	0	14	0	0	0	
Labor - Acct 751 - T&D Ops Spvsn	368,053	14	5,152,740	397,497	5,564,959	
Labor - Acct 754 - Meter Exp	387,974	14	5,431,642	419,012	5,866,174	
Labor - Acct 758 - Maint Spvsn Pipelines	375,193	14	5,252,697	405,208	5,672,912	
Labor - Acct 761 - Maint T&D Pipelines	42,562	14	595,872	45,967	643,542	
Labor - Acct 763 - Maint Of Services	57,014	14	798,197	61,575	862,053	
Labor - Acct 765 - Maint Of Hydrants	27,549	14	385,689	29,753	416,545	
Labor - Acct 771 - Customer Accts Spvsn	381,987	14	5,347,822	412,546	5,775,648	
Labor - Acct 772 - Meter Reading Exp	74,464	14	1,042,501	80,421	1,125,901	
Labor - Acct 773 - Customer Records Exp	629,498	14	8,812,972	679,858	9,518,009	
Labor - Acct 791 - Administration Salaries	826,150	14	11,566,103	892,242	12,491,391	
Labor - Acct 795 - Employee Benefits	0	14	0	0	0	
Labor - Acct 799 - Misc General Expense	0	14	0	0	0	
Labor - Acct 805 - Maintenance Of General Plant	717	14	10,036	774	10,838	
Acct 702 - Operations	28,530	30	855,896	28,530	855,896	
Acct 711 - Maint Of Wells	35,325	30	1,059,762	35,325	1,059,762	
Acct 725 - Misc Pump Exp	14,265	30	427,949	14,265	427,949	
Acct 726 - Purchased Power	1,013,191	16	16,211,049	1,229,458	19,671,330	
Acct 732 - Maint Of Pump Equip	0	30	0	0	0	
Acct 744 - Chemicals	49,506	30	1,485,187	49,506	1,485,187	
Acct 754 - Meter Expense	(399)	30	(11,974)	(399)	(11,974)	
Acct 756 - Misc Exp Pipelines	14,265	30	427,949	14,265	427,949	
Acct 760 - Maint Reservoirs & Tanks	0	30	0	0	0	
Acct 761 - Maint T&D Pipelines	112,713	30	3,381,378	112,713	3,381,378	
Acct 763 - Maint Of Services	82,856	30	2,485,691	82,856	2,485,691	
Acct 765 - Maint Of Hydrants	(16,438)	30	(493,133)	(16,438)	(493,133)	
Acct 772 - Meter Reading Expense	28,845	30	865,358	28,845	865,358	
Acct 773 - Customer Records Maint	323,025	30	9,690,743	323,025	9,690,743	
Acct 775 - Uncollectible Accts Writeoff	196,122	0	0	196,122	0	
Acct 775 - Uncollectible Accts Other	0	0	0	0	0	
Acct 792 - Office Expenses	67,958	30	2,038,739	67,958	2,038,739	
Acct 793 - Insurance - Ppty/Liab/Auto/Umbrr	136,536	7	955,749	136,536	955,749	
Acct 794 - Workers Comp	43,611	20	872,220	43,611	872,220	
Acct 795 - Employee Benefits	238,453	25	5,961,336	238,453	5,961,336	
Acct 795 - Pension Plan Expense	817,170	0	0	817,170	0	
Acct 795 - Medical Insurance	0	25	0	0	0	
Acct 796 - City San Jose Franchise Fee	242,485	25	6,062,133	242,485	6,062,133	
Acct 797 - Regulatory Comm Exp - Regulatory Fee	252,441	15	3,786,608	252,441	3,786,608	
Acct 797 - Regulatory Comm Exp - Other	148,021	30	4,440,638	148,021	4,440,638	
Acct 798 - Outside Services	413,948	30	12,418,433	413,948	12,418,433	
Acct 799 - Misc General Expense	229,644	30	6,889,314	229,644	6,889,314	
Acct 800 - Rate Case Expense	0	30	0	0	0	
Acct 805 - Maintenance Of General Plant	103,605	30	3,108,148	103,605	3,108,148	
Acct 811 - Rent Expense	218,516	0	0	218,516	0	
Acct 503.000 - Depreciation Expense	1,433,290	0	0	1,433,290	0	
Acct 507.100 - Property Tax Expense - Real Estate	216,949	69	14,969,464	216,949	14,969,464	
Acct 507.110 - Property Tax Expense - Personal	6,411	62	397,506	6,411	397,506	
Acct 507.300 - Payroll Tax Expenses	200,323	0	0	200,323	0	
Acct 507.800 - State Income Tax Expense	484,605	0	0	484,605	0	
Acct 507.900 - Federal Income Tax Expense	925,187	0	0	925,187	0	
Total	19,031,355		332,838,874	25,678,644	493,898,119	
Acct 242.300 - Deferred Income Taxes	2,497,895	0	0	2,572,831	0	
Total	21,529,249		332,838,874	28,251,475	493,898,119	
		Dollar Days Lag	332,838,874		493,898,119	
		Operating Expenses	21,529,249		28,251,475	
		Expense Lag Days	15.46		17.48	



2024/2025		2025/2026		2026/2027		2027/2028	
15,125,703	378,142,575	16,790,901	419,772,525	18,644,001	466,100,025	20,706,813	517,670,325
229,711	3,215,955	236,602	3,312,434	241,571	3,381,995	248,093	3,473,309
263,375	3,687,253	271,276	3,797,871	276,973	3,877,626	284,452	3,982,322
0	0	0	0	0	0	0	0
413,794	5,793,122	426,208	5,966,916	435,159	6,092,221	446,908	6,256,711
436,192	6,106,687	449,278	6,289,887	458,713	6,421,975	471,098	6,593,368
421,822	5,905,502	434,476	6,082,667	443,600	6,210,403	455,577	6,378,084
47,852	669,927	49,288	690,025	50,323	704,516	51,681	723,537
64,100	897,397	66,023	924,319	67,409	943,729	69,229	969,210
30,973	433,623	31,902	446,632	32,572	456,011	33,452	468,323
429,461	6,012,449	442,344	6,192,823	451,634	6,322,872	463,828	6,493,589
83,719	1,172,063	86,230	1,207,225	88,041	1,232,576	90,418	1,265,856
707,732	9,908,248	728,964	10,205,495	744,272	10,419,811	764,368	10,701,145
928,824	13,003,538	956,689	13,393,644	976,779	13,674,910	1,003,152	14,044,133
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
806	11,283	830	11,621	848	11,865	870	12,186
28,159	844,770	28,075	842,235	28,355	850,658	28,752	862,567
34,866	1,045,985	34,762	1,042,847	35,109	1,053,276	35,601	1,068,021
14,080	422,385	14,037	421,118	14,178	425,329	14,376	431,284
1,298,669	20,778,700	1,415,257	22,644,120	1,417,924	22,686,792	1,417,924	22,686,792
0	0	0	0	0	0	0	0
48,863	1,465,880	48,716	1,461,482	49,203	1,476,097	49,892	1,496,762
(394)	(11,818)	(393)	(11,783)	(397)	(11,901)	(402)	(12,067)
14,080	422,385	14,037	421,118	14,178	425,329	14,376	431,284
0	0	0	0	0	0	0	0
111,247	3,337,420	110,914	3,327,408	112,023	3,360,682	113,591	3,407,731
81,779	2,453,377	81,534	2,446,017	82,349	2,470,477	83,502	2,505,064
(16,224)	(486,722)	(16,175)	(485,262)	(16,337)	(490,114)	(16,566)	(496,976)
28,470	854,108	28,385	851,546	28,669	860,062	29,070	872,102
318,825	9,564,764	317,869	9,536,069	321,048	9,631,430	325,542	9,766,270
193,572	0	192,991	0	194,921	0	197,650	0
0	0	0	0	0	0	0	0
67,075	2,012,235	66,873	2,006,198	67,542	2,026,260	68,488	2,054,628
134,761	943,325	134,356	940,495	135,700	949,900	137,600	963,198
43,044	860,881	42,915	858,298	43,344	866,881	43,951	879,018
235,354	5,883,838	234,647	5,866,187	236,994	5,924,848	240,312	6,007,796
806,547	0	804,127	0	812,168	0	823,539	0
0	0	0	0	0	0	0	0
239,333	5,983,325	238,615	5,965,375	241,001	6,025,029	244,375	6,109,379
249,159	3,737,382	248,411	3,726,170	250,895	3,763,432	254,408	3,816,120
146,097	4,382,910	145,659	4,369,761	147,115	4,413,459	149,175	4,475,247
408,566	12,256,993	407,341	12,220,222	411,414	12,342,424	417,174	12,515,218
226,658	6,799,753	225,978	6,779,354	228,238	6,847,147	231,434	6,943,008
0	0	0	0	0	0	0	0
102,258	3,067,742	101,951	3,058,539	102,971	3,089,124	104,412	3,132,372
215,675	0	215,028	0	217,178	0	220,219	0
1,414,657	0	1,410,413	0	1,424,518	0	1,444,461	0
214,128	14,774,861	213,486	14,730,536	215,621	14,877,842	218,640	15,086,131
6,328	392,339	6,309	391,162	6,372	395,073	6,461	400,604
197,719	0	197,126	0	199,097	0	201,885	0
478,305	0	476,871	0	481,639	0	488,382	0
913,159	0	910,420	0	919,524	0	932,397	0
27,438,880	536,746,438	29,321,549	581,703,295	31,334,451	630,110,071	33,610,561	684,435,653
2,650,016	0	2,729,517	0	2,729,517	0	2,729,517	0
30,088,896	536,746,438	32,051,066	581,703,295	34,063,968	630,110,071	36,340,078	684,435,653
	536,746,438		581,703,295		630,110,071		684,435,653
	30,088,896		32,051,066		34,063,968		36,340,078
	17.84		18.15		18.50		18.83

**Attachment 24:**  
**Great Oaks' Response to Cal Advocates**  
**Office' Data Request DG-014**



## GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: September 3, 2024**

<b>To: Jawad Baki</b> Project Lead Public Advocates Office	Phone: (415) 703-3191 Email: <a href="mailto:jawad.baki@cpuc.ca.gov">jawad.baki@cpuc.ca.gov</a>
<b>Catherine Rucker</b> Attorney Public Advocates Office	Phone: (415) 703-1755 Email: <a href="mailto:catherine.rucker@cpuc.ca.gov">catherine.rucker@cpuc.ca.gov</a>
<b>Syreeta Gibbs</b> Project Oversight Supervisor Public Advocates Office	Phone: (415) 703-1622 Email: <a href="mailto:syreeta.gibbs@cpuc.ca.gov">syreeta.gibbs@cpuc.ca.gov</a>
<b>Daphne Goldberg</b> Utilities Engineer Public Advocates Office	Phone: (415) 703-1578 Email: <a href="mailto:daphne.goldberg@cpuc.ca.gov">daphne.goldberg@cpuc.ca.gov</a>

**RE: Great Oaks Water Company Response to Public Advocates Office DR DG-014  
(Capital Budget and Asset Management Plan)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request DG-014 (Capital Budget and Asset Management Plan).

### DATA REQUESTS

1. GOWC's GRC Application Exhibit E workpapers, WP18, cell J35 (Account 342 Reservoirs and Tanks) includes an amount of \$542,325.
  - a. Explain what the amount is for.
  - b. Explain why the amount is included in the "Projected 2024/2025" column.
  - c. Provide the formula GOWC used to calculate the amount including details of what each component of the formula represents.

**Response:** The amount of the final cost of the exterior painting for the five water storage tanks is

\$542,325. The updated application shows this amount included in the Test Year 2025/2026 because the cost of the project was not included in the calculation of the rate base for the two Escalation Year 2023/2024 and 2024/2025 since the project was just completed at the end of July, 2024. There is no formula that GOWC used to calculate the amount since the final cost is taken by what were billed by the vendor for the project.

2. GOWC's GRC Application Exhibit E workpapers, WP18, cell J39 (Account 346 Meters) includes the formula:  $230 * ((1115 + 1026 + 2934) / 3)$ .
  - a. Explain what the 230 is for.
  - b. Explain what the 1115 is for.
  - c. Explain what the 1026 is for.
  - d. Explain what the 2934 is for.
  - e. Explain why GOWC multiplied 230 by  $(1115 + 1026 + 2934)$
  - f. Explain why GOWC added together  $(1115 + 1026 + 2934)$
  - g. Explain why GOWC divided  $(1115 + 1026 + 2934)$  by 3
  - h. Explain what the formula represents.
  - i. Explain why the formula is included in the "Projected 2024/2025" column.

**Response:** GOWC projected the additional cost for meter replacement that would be booked in the Test Year 2025/2026 by using the formula in questioned. The 230 represents additional quantity of meter that need to be purchased in the Test Year 2025/2026. To get the total estimated cost of meter replacement, the quantity (230) is multiplied by the average cost of meter replacement for the last three years. The \$1,115, \$1,026, and \$2,934 are the average cost of meter replacement in 2021, 2022, and 2023. The three amounts are to be added and divided by 3 to produce the average cost of meter replacement for the past three years.

Since the "Projected 2024/2025" is now being replaced by authorized escalation year 2024/2025, the formula is now no longer included in the new updated Workpaper.

3. GOWC's GRC Application Exhibit E workpapers, WP19, cell J16 (Account 373 Transportation Equipment) includes an amount of \$75,000.
  - a. Explain what the amount is for.
  - b. Explain why the amount is included in the "Projected 2024/2025" column.
  - c. Provide the formula GOWC used to calculate the amount including details of what each component of the formula represents.

**Response:** Cell J16 in WP19 represents Account 373 Transportation Equipment. The amount included in this cell represents the cost of vehicles and any equipment that needs to be installed for the vehicle to be functional. The amount in "Projected 2024/2025" of \$75,000 was an estimated amount. However, it is now being replaced by the authorized amount in the authorized escalation year 2024/2025, it is now \$49,163. This amount represents cost of vehicles and their equipment replacement.

4. Provide an update regarding GOWC's compliance with Commission Decision D.19-09-010, Decision Adopting a Settlement Agreement Concerning the GRC for Great Oaks Water Company (Sept. 19, 20) (p.12) regarding development of a comprehensive Asset Management Plan.

**Response:** The development of a comprehensive Asset Management Plan is currently underway, but gradually. This development has been taking longer than intended due to the pandemic that started in early 2020. In addition, and more importantly, the preceding CFO that worked with the initial phase of the development of the project retired and left GOWC in the middle of 2022. In 2023, the asset management database has been extracted from the source system: AS/400 computer and cleansed and prepared to be imported into Excel as a temporary repository and application solution to calculate depreciation and remaining useful life of its assets. From this point forward, GOWC needs to re-assess the need and re-define the objectives before it moves to the next phase and select a vendor to partner with developing a comprehensive Asset Management Plan. It is crucial that the right vendor is carefully chosen for a successful transition and implementation of the project.

#### VERIFICATIONS

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-014 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on September 3, 2024.

\_\_\_\_\_/S/  
Juan Liem

**Attachment 25:  
Great Oaks' Response to Cal Advocates  
Office' Data Request DG-001**



## GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: June 14, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Daphne Goldberg**  
Analyst/Engineer  
Public Advocates Office

Phone: (415) 703-1578  
Email: [daphne.goldberg@cpuc.ca.gov](mailto:daphne.goldberg@cpuc.ca.gov)

**RE: Great Oaks Water Company Response to Public Advocates Office DR DG-001**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request DG-001 (Recorded Plant and CWIP).

### **DATA REQUESTS**

1. Provide the following recorded plant data for the time period between January 1, 2020, to April 30, 2024, inclusive, in the attached Excel file (Note: there is a separate tab for each plant category). Add rows as necessary.
  - a. Project ID number
  - b. Project Name
  - c. Project Description
  - d. Completion Date
  - e. In Service Date
  - f. Date added to Plant if different from Completion Date

4145072.1

- g. Current In Service Status (for example: active or standby well)
- h. Specific Year Project Cost (2021; 2022; 2023, January 1, 2024-April 30, 2024)
- i. Total Project Cost
- j. CPUC Decision Which Authorized Project

Response:

- See Attachment 1.
2. Provide payment receipts for the construction of Well 24B. In addition, list the payment receipt date, Contractor name, and amount in the table below (add rows as necessary).

Response: Well 24B and 24C were constructed at the same time by some of the same contractors. The table provided in attachment 2 lists the payment receipt date, Contractor name and amount for both constructions of Well 24B and 24C. The vendors did not invoice the wells separately. See Attachment 2.

3. Provide payment receipts for the construction of Well 24C. In addition, list the payment receipt date, Contractor name, and amount in the table below (add rows as necessary). **Note:** the total payment receipts for the construction of Wells 24, B, and C should total, \$1,603,950 for 2022, and \$335,602 for 2023, as referenced in Exhibit E WP 18, row 18.

Response: The total fixed asset addition to Wells includes capital expenditures associated with redevelopment of other well sites. The construction cost of Well 24B and 24C is less than the total payment receipts described in Question 3. The combined payment receipts for construction of Well 24B and 24C and redevelopment of other well sites total \$1,603,950 for 2022 and \$335,602 for 2023. See attachment 2 for details.

4. Provide the DDW issued permit for each well, 24B, and 24C.

Response: See Attachment 3 for DDW Issued permit for each well, 24B, and 24C.

5. Provide A.24-07-xxx Proposed Application Exhibit D, Chapter 7 “RATE BASE”, Table 7-5 in Excel format with formulas included.

Response: See Attachment 4 for Table 7-5 in Excel format.

6. As of April 30, 2024, for all projects with a balance recorded in GOWC’s Construction Work In Progress (“CWIP”) Account and for all outstanding Advice Letter (“AL”) projects, provide the follow information using the template provided with this Data Request as Attachment 2407xxx DR DG-001 (Recorded Plant and CWIP), tab “Q6 CWIP”.
  - a. Project ID/work order number.
  - b. Project name/description (and indicate if this is an AL project).
  - c. Did GOWC fund the project? If not, indicate the funding party.
  - d. Recorded CWIP balance as of 4/30/2024.
  - e. Authorized dollar amount for project expenditure.



- f. Commission Decision or AL the project was authorized in.
- g. Current project status (land acquisition, permitting, design, construction, on hold, cancelled, etc.)
- h. Current estimated project completion date.
- i. Current estimated expenditure at project completion.
- j. If GOWC funded the project and expensed it, provide the account # that each of those expensed projects is located in (include A. 24-07-xx GRC Exhibit F workpaper tab and cell #).
- k. If a project is not funded by GOWC, identify where in GOWC’s Exhibit F GRC workpapers an offsetting entry has been made for rate base calculations (include A. 24-07-xx GRC Exhibit F workpaper tab name and cell #)

Response: See Attachment 1, tab “Q6 CWIP” for projects with balance recorded in GWOC’s Construction Work In Progress (“CWIP”) account as of April 30, 2024. Currently, Great Oaks Does not have outstanding Advice Letter “AL” projects recorded in GWOC’s CWIP account as of April 30, 2024.

7. Meters

- a. Provide the average cost of a meter replacement for each year between 2019 and 2023, inclusive.

Response: See the response in Table 1.

**Table 1**

	2019	2020	2021	2022	2023
Total Cost of meter replacement	\$81,123	\$38,752	\$242,027	\$289,356	\$302,209
Number of Meters Replaced	365	60	217	282	103
Average Cost of a Meter Replacement	\$222	\$646	\$1,115	\$1,026	\$2,934

- b. Provide the number of meters replaced in each year, 2019, 2020, 2021, 2022, and 2023, as well as the total number of each type of meter replaced between 2019 and 2023.

Response: See the response in Table 2.

**Table 2**

<b>Number of Meters Replaced</b>	

Year	5/8" x 3/4-inch	3/4- inch	1- inch	1 <sup>1/2</sup> - inch	2- inch	3- inch	4- inch	6- inch	8- inch	10- inch
2019	344	14	1	4	2	0	0	0	0	0
2020	40	13	0	1	2	3	1	0	0	0
2021	23	8	24	92	66	3	1	0	0	0
2022	19	17	8	61	165	10	1	1	0	0
2023	15	7	3	18	57	3	0	0	0	0
<b>Total</b>	<b>441</b>	<b>59</b>	<b>36</b>	<b>176</b>	<b>292</b>	<b>19</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>

8. Meters

- a. Provide the average cost of a service replacement for each year between 2019-2023

Response: See the response in Table 3:

**Table 3**

	2019	2020	2021	2022	2023
Total Cost of Service Replacement	\$86,657	\$238,067	\$320,954	\$126,366	\$46,576
Number of Service Replaced	7	4	6	6	5
Average Cost of a Service Replacement	\$12,380	\$59,517	\$53,492	\$21,061	\$9,315

- b. Provide the number of services replaced in each year 2019, 2020, 2021, 2022, and 2023, as well as the total number of services replaced from 2019 to 2023.

Response: The total number of services replaced from 2019 to 2023 is 28. See details in Table 3.

9. Hydrants

- a. Provide the average cost of a hydrant replacement for each year between 2019 and 2023, inclusive.

Response: See the response in Table 4.

**Table 4**

	2019	2020	2021	2022	2023
Total Cost of Hydrants Replacement	\$6,805	\$27,294	\$82,997	\$17,003	\$19,269
Number of Hydrants Replaced	2	4	4	2	2
Average Cost of a Hydrant Replacement	\$3,402	\$6,824	\$20,749	\$8,502	\$9,635

- b. Provide the number of hydrants replaced in each year 2019, 2020, 2021, 2022, and 2023, as well as the total number of hydrants replaced from 2019 to 2023.

Response: Total number of hydrants replaced from 2019 to 2023 is 14. See details in Table 4.

### VERIFICATIONS

I, Jared Ajlouny, am Vice President, Operations and Director of Construction for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-001, Question 7, 8 and 9 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at San Jose, California on June 14, 2024.

\_\_\_\_\_  
/S/  
Jared Ajlouny

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-001 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on June 14, 2024.

\_\_\_\_\_  
/S/  
Juan Liem

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	January 1, 2024-April 30, 2024 Cost	Total Project Cost	CPUC Decision Which Authorized Project
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2023 Cost	Total Project Cost	CPUC Decision Which Authorized Project
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2022 Cost	Total Project Cost	CPUC Decision Which Authorized Project
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2021 Cost	Total Project Cost	CPUC Decision Which Authorized Project
12-307	300	Property land around Well 24		6/22/2020	1/1/2021	1/1/2021	Active	2540.05	211016.97	

1

2

1

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	January 1, 2024-April 30, 2024 Cost	Total Project Cost	CPUC Decision Which Authorized Project
12-443	590	Well 24A-C on property next to W24	Electrical work for the well	3/6/2023		1/1/2023	Active	25,005.84	25,005.84	
12-710	600	Well 24B and C	Remaining expenses related to installation of Wells 24B and 24C	11/9/2022		1/1/2023	Active	1,012.39	1,586,991.44	
12-727	610	Well 16	Optimization of pumping efficiency	7/7/2023		1/1/2023	Active	309,583.45	309,583.45	

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2023 Cost	Total Project Cost	CPUC Decision Which Authorized Project
12-710	570	Well 24B and 24C	Drilling and installation of Wells 24B and 24C	11/9/2022		1/1/2022	Active	1,585,979.05	1586991.44	
12-712	580	Well 22 Improvement	Repair and improvement	5/31/2022		1/1/2022	Active	17,971.17	17,971.17	

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2021 Cost	Total Project Cost	CPUC Decision Which Authorized Project
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2

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	January 1, 2024-April 30, 2024 Cost	Total Project Cost	CPUC Decision Which Authorized Project
12-768	830	NEW CALERO BOOSTER PUMP		3/6/2023		1/1/2023	Active	74,653.94	121,034.36	
12-776	840	W8 AND W24 MOTOR REPLACEMENT		2/13/2023		1/1/2023	Active	47,726.30	78,259.93	
23-087	850	W9 MOTORE REPLACEMENT		11/28/2023		1/1/2023	Active	25,465.37	25,465.37	

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2022 Cost	Total Project Cost	CPUC Decision Which Authorized Project
12-443	790	Well 24A-C On ppty next to W24		3/6/2023		1/1/2022	Active	7,947.66	174,662.55	
12-618	800	Booster #4 - Ashmont		1/31/2022		1/1/2022	Active	26,835.97	26,835.97	
12-768	810	Calero Booster Pump		12/1/2022		1/1/2022	Active	46,380.42	121,034.36	
12-776	820	Motor replacement W8		12/30/2022		1/1/2022	Active	30,533.63	78,259.93	

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2021 Cost	Total Project Cost	CPUC Decision Which Authorized Project
12-443	730	WELLS 24A-C PPTY NEXT TO W24		12/28/2022		1/1/2021	Active	166,714.89	174,662.55	
12-519	740	WELL 24 RETROFIT		2/19/2021		1/1/2021	Active	6,325.63	6,325.63	
12-546	750	W24 RPLC 125A SOFT STRT W/200A		1/26/2021		1/1/2021	Active	18,961.43	18,961.43	
12-551	760	WELL 9 PUMP REPAIR		4/28/2021		1/1/2021	Active	40,178.39	40,178.39	
12-561	770	WELL 16 SITE IMPROVEMENT		6/16/2021		1/1/2021	Active	56,872.87	56,872.87	
12-624	780	REPLACE JOCKEY PUMP ASHMONT		11/5/2021		1/1/2021	Active	26,096.72	26,096.72	

3

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	January 1, 2024-April 30, 2024 Cost	Total Project Cost	CPUC Decision Which Authorized Project
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2023 Cost	Total Project Cost	CPUC Decision Which Authorized Project
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2022 Cost	Total Project Cost	CPUC Decision Which Authorized Project
12-735	140	Chlorination system installation		3/17/2023		1/1/2022	Active	8,905.49	8,905.49	
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2021 Cost	Total Project Cost	CPUC Decision Which Authorized Project
12-610	130	Chlorination Calero tank		8/24/2021		1/1/2021	Active	11,168.11	11,168.11	

1

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	January 1, 2024-April 30, 2024 Cost	Total Project Cost	CPUC Decision Which Authorized Project
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2023 Cost	Total Project Cost	CPUC Decision Which Authorized Project
12-687	1400	16" VALVE AT SANTA TERESA AND CHANTIL		12/15/2023		1/1/2023	Active	61,438.56	65,477.81	
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2022 Cost	Total Project Cost	CPUC Decision Which Authorized Project
12-484, 12-694	1360	VALVE #114 - 338 BATTLEDANCE		9/18/2022		1/1/2022	Active	8,659.29	11,592.84	
12-608	1370	EPANET HYDRAULC MODEL		10/4/2022		1/1/2022	Active	22,753.69	22,753.69	
12-684	1380	WELL 23A REHAB		3/25/2022		1/1/2022	Active	79,980.11	79,980.11	
12-720	1390	EQUINIX VALVE REPAIR		8/26/2022		1/1/2022	Active	6,850.94	6,850.94	
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2021 Cost	Total Project Cost	CPUC Decision Which Authorized Project
12-578	1320	RAISE G5 BOX - 301 KAYBE COURT		6/2/2021		1/1/2021	Active	2,312.63	2,312.63	
12-588	1330	REPLACE 3" VALVE CERA LANE		7/23/2021		1/1/2021	Active	16,754.29	16,754.29	
12-600	1340	VALVE REPLACE - COY DRIVE		12/19/2021		1/1/2021	Active	10,232.75	10,232.75	
12-648	1350	REPLACE VALVE - COUNTRYVIEW DR		12/10/2021		1/1/2021	Active	6,544.99	6,544.99	

2

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	January 1, 2024-April 30, 2024 Cost	Total Project Cost	CPUC Decision Which Authorized Project
12-237	1250	PULTE GROUP GREAT OAKS DVLPMNT		12/31/2023		1/1/2023	Active	4,178.61	32,102.58	
12-363	1260	CHINA MOBILE - 6320 SAN IGNACIO		6/27/2023		1/1/2023	Active	11,000.37	11,000.37	
12-674	1270	MONTEREY AND 101 IRRIGATION		5/13/2023		1/1/2023	Active	12,150.00	12,150.00	
23-004	1280	MEDVET SERVICE		4/14/2023		1/1/2023	Active	6,451.96	6,451.96	
23-015	1290	20461 MCKEAN RD		4/14/2023		1/1/2023	Active	5,154.98	5,154.98	
23-091	1300	7805 LOST VIEW RD - NEW 2"		12/22/2023		1/1/2023	Active	7,639.73	7,639.73	
12-494	1170	397 BLOSSOM HILL ROAD		3/18/2022		1/1/2022	Active	22,029.97	22,029.97	
12-538	1180	6970 SANTA TERESA BLVD		12/9/2022		1/1/2022	Active	37,424.66	37,424.66	
12-616	1190	NEW 1.5" SRVC - 7058 SANTA TERESA		2/3/2022		1/1/2022	Active	2,340.69	2,340.69	
12-665	1200	NEW 2" SRVC - 7080 SANTA TERESA		2/18/2022		1/1/2022	Active	7,097.37	7,097.37	
12-677	1210	NEW 1" SRVC - 4769 RENZO COURT		12/14/2022		1/1/2022	Active	18,804.87	18,804.87	
12-691	1220	2 - 1" SRVC - 22400 SAN VICENTE		4/29/2022		1/1/2022	Active	18,283.98	18,283.98	
12-723	1230	NEW SRVC - 7-11 COTTLE AND ST		9/8/2022		1/1/2022	Active	10,207.14	10,207.14	
12-740	1240	NEW SRVC - 6950 AVENIDA ROTELLA		12/14/2022		1/1/2022	Active	10,177.67	10,177.67	
12-370	1120	NEW SRVC - 455 SILICON VLY BLV		12/31/2021		1/1/2021	Active	25,210.62	25,210.62	
12-448	1130	NEW 4" SRVC - EQUINIX SV11		9/15/2021		1/1/2021	Active	64,500.00	106,070.13	
12-479	1140	NEW SRVC - 7076 SANTA TERESA		3/23/2021		1/1/2021	Active	213,417.90	213,417.90	
12-569	1150	SRVC - EAGLES LN OAK GROVE HS		12/31/2021		1/1/2021	Active	14,121.75	14,121.75	
12-650	1160	NEW 3/4" SRVC - 5351 LEAN AVE		11/26/2021		1/1/2021	Active	3,704.26	3,704.26	

1

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	January 1, 2024-April 30, 2024 Cost	Total Project Cost	CPUC Decision Which Authorized Project
23-007	450	MIDDLEBURY AT AVE ESPANA		3/17/2023		1/1/2023	Active	15,895.82	15,895.82	
23-019	460	6158 BASKING RIDGE		3/17/2023		1/1/2023	Active	3,372.80	3,372.80	
12-703	430	5854 Paddon Cir		8/5/2022		1/1/2022	Active	12,613.26	12,613.26	
12-731	440	Miyuki at PG&E		8/19/2022		1/1/2022	Active	4,390.09	4,390.09	
12-448	390	NEW 4" HYDRANT - EQUINIX SV11		9/15/2021		1/1/2021	Active	56,328.65	56,328.65	
12-555	400	NEW HYDRNT - 5815 LOST VIEW RD		4/2/2021		1/1/2021	Active	15,232.09	15,232.09	
12-592	410	HYDRNT RPR GOLF COURSE & FAIRWAY		7/23/2021		1/1/2021	Active	2,950.32	2,950.32	
12-626	420	HYDRANT KD - 7173 BRANHAM LN		10/29/2021		1/1/2021	Active	8,486.07	8,486.07	

2

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	January 1, 2024-April 30, 2024 Cost	Total Project Cost	CPUC Decision Which Authorized Project
12-315	810	NEW METER INSTALLATION 2023		12/22/2023		1/1/2023	Active	288,001.84	288001.84	
23-026	820	1" MTR CHNG 5336 CEDAR GROVE		7/7/2023		1/1/2023	Active	7,444.48	7444.48	
12-315	800	NEW METER INSTALL/REPLACE 2022		12/23/2022		1/1/2022	Active	268,507.99	268,507.99	
12-315	750	NEW METER INSTALL/REPLACE 2021		12/23/2023		1/1/2021	Active	276,459.16	276459.16	
12-557	760	4" CMPND MTR EQUINIX 210033590		3/22/2021		1/1/2021	Active	6,278.65	6278.65	
12-598	770	3" MTR CHNG VERA LN THORNBRIDG		9/7/2021		1/1/2021	Active	6,533.71	6533.71	
12-625	780	RPLC 2 4" MTRS CALERO PUMP STN		10/1/2021		1/1/2021	Active	9,943.13	9943.13	
12-652	790	3" MTR CHNG 6191 CAMINO VERDE		12/10/2021		1/1/2021	Active	6,418.89	6418.89	

1

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	January 1, 2024-April 30, 2024 Cost	Total Project Cost	CPUC Decision Which Authorized Project
		1500 NEW COMPUTER SYSTEM - HARDWARE				1/1/2023	Active	6,428.17	6,428.17	
		1510 NEW COMPUTER SYSTEM - SOFTWARE				1/1/2023	Active	2,971.74	2,971.74	
		1520 COMPUTER FOR SHARED CUBICLE				1/1/2023	Active	2,551.56	2,551.56	
		1530 PROCESSING ROOM COMPUTER				1/1/2023	Active	2,129.57	2,129.57	
		1540 IT EMAIL SERVER				1/1/2023	Active	5,698.61	5,698.61	
		1550 IT FILE SERVER				1/1/2023	Active	5,698.61	5,698.61	
		1560 SERVER ROOM EQUIPMENT				1/1/2023	Active	770.26	770.26	
		1570 EMAIL SERVER				1/1/2023	Active	2,579.90	2,579.90	
		1580 FILE SERVER IT				1/1/2023	Active	2,145.72	2,145.72	
		1590 DELL XPS 17 LAPTOP				1/1/2023	Active	4,351.65	4,351.65	
1430		NEW COMPUTER SYSTEM - HARDWARE				1/1/2022	Active	2,162.36	2,162.36	
1440		NEW COMPUTER SYSTEM - SOFTWARE				1/1/2022	Active	4,811.31	4,811.31	
1450		FRONT DESK COMPUTER				1/1/2022	Active	1,043.27	1,043.27	
1460		NEW WELL 2 SCADA COMPUTER				1/1/2022	Active	1,053.53	1,053.53	
1470		POWER SCADA SYSTEM				1/1/2022	Active	3,020.19	3,020.19	
1480		REPLACE SERVER - PHONE SYSTEM				1/1/2022	Active	6,373.38	6,373.38	
1490		LENOVO LAPTOP T15				1/1/2022	Active	2,887.97	2,887.97	
1350		LEXMARK 5255 PRN 406400101CKPV				1/1/2021	Active	2,197.50	2,197.50	
1360		LEXMARK 5255 406400101CKP7				1/1/2021	Active	1,702.75	1,702.75	
1370		BILLING SYSTEM 2021 - SOFTWARE				1/1/2021	Active	1,555.35	1,555.35	
1380		NEW CAMERAS - ALL WELL SITES				1/1/2021	Active	6,325.63	6,325.63	
1390		OFFICE SECURITY CAMERAS				1/1/2021	Active	4,659.02	4,659.02	
1400		FRONT DESK COMPUTER				1/1/2021	Active	2,974.83	2,974.83	
1410		LENOVO IDEAPAD FLEX 5 FOR TIM				1/1/2021	Active	988.24	988.24	
1420		FRIGIDAIRE FREEZER				1/1/2021	Active	887.81	887.81	

2



Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	January 1, 2024-April 30, 2024 Cost	Total Project Cost	CPUC Decision Which Authorized Project
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2023 Cost	Total Project Cost	CPUC Decision Which Authorized Project
		700 2023 FORD F150 VIN 7491				1/1/2023	Active	103,825.16		
		710 TRAILER FOR DUMP TRUCK				1/1/2023	Active	2,603.04		
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2022 Cost	Total Project Cost	CPUC Decision Which Authorized Project
		680 2022 Dodge Ram 3500 4x4 Eqmnt				1/1/2022	Active	11,751.49		
		690 2022 Ford Maverick				1/1/2022	Active	34,355.17		
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2021 Cost	Total Project Cost	CPUC Decision Which Authorized Project
		630 2021 FORD F-150 VIN #91077				1/1/2021	Active	37,634.59		
		640 2021 RAM 3500 4X4 DSL V#590515				1/1/2021	Active	71,029.72		
		650 2022 RAM 3500 VIN 114954				1/1/2021	Active	74,338.31		
		660 2021 RAM 3500 4X4 DSL EQUIPMNT				1/1/2021	Active	10,131.53		
		670 2021 FORD F-150 - EQUIPMENT				1/1/2021	Active	9,363.71		

1

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	January 1, 2024-April 30, 2024 Cost	Total Project Cost	CPUC Decision Which Authorized Project
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2023 Cost	Total Project Cost	CPUC Decision Which Authorized Project
		340 SCADA IMPROVEMENT				1/1/2023	Active	48,303.61		
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2022 Cost	Total Project Cost	CPUC Decision Which Authorized Project
		320 SCADA Replace/Upgrade -2015 GRC				1/1/2022	Active	18,869.53		
		330 Flow Meter Transducer Scada -				1/1/2022	Active	2,935.34		
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2021 Cost	Total Project Cost	CPUC Decision Which Authorized Project
		300 SCADA RPLC/UPGRADE - 2015 GRC				1/1/2021	Active	35,158.46		
		310 NEW WELL 2 SCADA COMPUTER				1/1/2021	Active	2,611.62		

2

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	January 1, 2024-April 30, 2024 Cost	Total Project Cost	CPUC Decision Which Authorized Project
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2023 Cost	Total Project Cost	CPUC Decision Which Authorized Project
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2022 Cost	Total Project Cost	CPUC Decision Which Authorized Project
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2021 Cost	Total Project Cost	CPUC Decision Which Authorized Project
		390 2016 BOBCAT MDL S530 S/N815167				1/1/2021	Active	25,389.71		
		400 USED TOYOTA 8FDU30 FKLFT 60228				1/1/2021	Active	19,850.47		

1

Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	January 1, 2024-April 30, 2024 Cost	Total Project Cost	CPUC Decision Which Authorized Project
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2023 Cost	Total Project Cost	CPUC Decision Which Authorized Project
		340 VLOC3-PRO 10 WATT KIT LINE LOCATOR				1/1/2023	Active	14,663.50		
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2022 Cost	Total Project Cost	CPUC Decision Which Authorized Project
		330 SHOP SHELVINGS AND BENCHES				1/1/2022	Active	2,248.08		
Project ID#	Asset ID#	Project Name	Project Description	Completion Date	In Service Date	Date Added to Plant	Current In Service Status	2021 Cost	Total Project Cost	CPUC Decision Which Authorized Project

2

Project ID/Work Order Number	Project Name	Project Description	Advice Letter Project (Answer Yes or No)	Did GOWC fund the project? If no, indicate the funding party	Recorded CWIP Balance as of 4/30/2024	Authorized Project Amount for Project Expenditure	CPUC Decision or Advice Letter Project Authorized	Current Project Status (examples: land acquisition, permitting, design, construction, on)	Current Estimated Project Completion Date
		Levin 3 mil							
11-431	11-431 - Levin 3 mil Recirculation project	Recirculation project	No	Yes	15,700	n/a	n/a	Active	2025
11-494	11-494 - New Computer System - Hardware	New Computer	No	Yes	231	n/a	n/a	Active	2024
11-495	11-495 - New Computer System - Software	New Computer	No	Yes	100	n/a	n/a	Active	2024
12-268	12-268 - Urban Oaks Tripointe Phase 3	Urban Oaks	No	Yes	24,510	n/a	n/a	Active	2024
12-315	12-315 - New Meter Installations	New Meter	No	Yes	259,541	n/a	n/a	Active	2024
12-325	12-325 - New Meter Box Installations	New Meter Box	No	Yes	6,513	n/a	n/a	Active	2024
12-687	12-687 - 16" valve @Santa Teresa/Chantil	16" valve @Santa	No	Yes	4,039	n/a	n/a	Active	2024
12-704	12-704 - SV 12 123 Great Oaks Blvd	SV 12 123 Great Oaks Blvd	No	JTM Construction Group	16,054	n/a	n/a	Active	2024
		5853 & 5863 Rue							
12-714	12-714 - 5853 & 5863 Rue Ferrari	Ferrari	No	Duke Realty LP	15,911	n/a	n/a	Active	2024
12-736	12-736 - Office Security Cameras	Office Security	No	Yes	7,991	n/a	n/a	Active	2024
		6" Hyd lk @ 358							
23-018	23-018 - 6" Hyd lk @ 358 Conestoga	Conestoga	No	Yes	5,837	n/a	n/a	Active	2024
23-024	23-024 - 6" Valve @ Boyd Ct	6" Valve @ Boyd Ct	No	Yes	4,295	n/a	n/a	Active	2024
		1 Branham Ln - Life							
23-042	23-042 - 1 Branham Ln - Life Moves House	Moves House	No	Life Moves House and City of San Jose	202	n/a	n/a	Active	2024
24-002	24-002 - New Server #1	New Server #1	No	Yes	3,196	n/a	n/a	Active	2024
24-003	24-003 - New Server #2	New Server #2	No	Yes	2,165	n/a	n/a	Active	2024
24-006	24-006 - Knockdown Hyd 23 Las Colinas	Knockdown Hyd 23	No	Yes	2,743	n/a	n/a	Active	2024
24-010	24-010 - Up/Low Levin Sensor	Up/Low Levin Sensor	No	Yes	2,004	n/a	n/a	Active	2024
24-015	24-015 - Knockdown Hyd# 5147	Knockdown Hyd#	No	Yes	2,335	n/a	n/a	Active	2024
24-022	24-022 - Lead Service Line Inv	Lead Service Line Inv	No	Yes	281	n/a	n/a	Active	2024
24-042	24-042 - 2023 Hydrant replacement	2023 Hydrant	No	Yes	49,049	n/a	n/a	Active	2024

1

**Attachment 26:  
Great Oaks' Response to Cal Advocates  
Office' Data Request DG-013**



## GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: August 22, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Daphne Goldberg**  
Utilities Engineer  
Public Advocates Office

Phone: (415) 703-1578  
Email: [daphne.goldberg@cpuc.ca.gov](mailto:daphne.goldberg@cpuc.ca.gov)

**RE: Great Oaks Water Company Response to Public Advocates Office DR DG-013 (Field Visit Follow-Up)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request DG-013 (Field Visit Follow-Up).

### **DATA REQUESTS**

1. For each tank which GOWC completed the exterior painting of between 2019 and 2023, provide a photo of the tank before painting and after painting.

**Response:** GOWC did not do exterior painting for any of its tanks between 2019 and 2023. However, GOWC completed the exterior painting of the five tanks in 2024. See Attachment 1 for a photo of each tank before painting and after painting.

2. Provide a list of the proposed Exhibit G "Computer Equipment" projects in the table below (add rows as necessary):

Year	Equipment Type	Justification	Cost

**Response:** See Attachment 2, tab Computer Equipment.

- Provide a list of the proposed Exhibit G “Communication Equipment” projects in the table below (add rows as necessary):

Year	Equipment Type	Justification	Cost

**Response:** See Attachment 2, tab Communication Equipment.

- Provide the number of annual valve replacements GOWC completed between 2019 and 2023, the annual cost of valve replacements, and the average cost per valve replacement in the table below:

Year	2019	2020	2021	2022	2023
Number of Valve Replacements					
Annual Cost of Valve Replacements					
Average Cost Per Valve Replacements					

**Response:** In 2023, Great Oaks replaced a 16” Valve, which is significantly more expensive to replace than the smaller size valves. See below for the completed table:

Year	2019	2020	2021	2022	2023
Number of Valve Replacements	0	3	3	2	1
Annual Cost of Valve Replacements	0	\$22,360	\$33,532	\$15,510	\$61,439

Average Cost Per Valve Replacements	0	\$7,453	\$11,177	\$7,755	\$61,439
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5. In accordance with the EPA’s Lead and Copper Rule Revisions (LCRR), provide a status update of GOWC’s requirement to provide the State Water Resources Control Board with a list of its service line inventory by October 16, 2024.<sup>2</sup>
  - a. For each additional LCRR requirement, provide a timeline of when GOWC plans to complete each one.<sup>3</sup>

<sup>2</sup> [Revised Lead and Copper Rule | US EPA](#)

<sup>3</sup> [2021 LCRR Implementation Fact Sheet \(epa.gov\)](#)

**Response:** Great Oaks has completed approximately 35% of the customer service line inventory. Great Oaks intends to submit the completed survey to the Water Board before October 16. Great Oaks plans to complete the following requirements, if applicable, by the dates shown:

- Submission of initial inventory to the State October 16, 2024 40 CFR 141.90(e)(1)  
Failure to submit initial inventory to the State by October 16, 2024 requires Tier 3 Public Notification (PN). Starting October 16, 2024. 40 CFR Appendix A to Subpart Q of Part 141 I.C.1 (exclude Tier 3 notification for 141.90 except 141.90(e) (1), (e)(13), and (f)(4)).
- Notification of Service Line Material and Associated Reporting Notification of known or potential service line containing lead within 30 days of completion of the inventory (initial) and repeat notification on an annual basis until the entire service connection is no longer lead, galvanized requiring replacement, or unknown. For new customers, water systems shall also provide the notice at the time of service initiation. Within 30 days of completion of the inventory and then annually. 40 CFR 141.85(e).
- Provide revised lead health effects language in public education materials to ensure consistent notification messaging with PN requirements (as referenced in 141.85(e)). Starting October 16, 2024. 40 CFR 141.85(e)(3) requires health information meeting the requirements of 40. CFR 141.85(a)(1)(ii).
- Annual reporting to the State by July 1 that the system provided notification and delivered lead service line information materials to affected consumers with lead, galvanized requiring replacement, or unknown service lines for the previous calendar year. Water systems shall provide a copy of the notification and information materials to the State. July 1, 2025 and then annually. 40 CFR 141.90(e)(13), 40 CFR 141.90(f)(4).
- Failure to certify to the State that the system notified persons served at service connections of a known or potential service line containing lead requires Tier 3 PN.

Starting October 16, 2024 40 CFR Appendix A to Subpart Q of Part 141 I.C.1 (exclude Tier 3 for 141.90 except 141.90(e)(1), (e)(13), and (f)(4)).

- Public Notification and Associated Reporting Exceedance of the lead action level as specified in § 141.80(c) requires Tier 1 PN provided to persons served by the water system no later than 24 hours after the system learns of the exceedance.  
Starting October 16, 2024 40 CFR 141.201(a)(3)(vi) (In Table 1 to § 141.201), 40 CFR 141.202(a)(10) (In Table 1 to § 141.202), 40 CFR Appendix A to Subpart Q of Part 141 C.2.
- A copy of the Tier 1 PN for lead action level exceedance must be sent to the primacy agency and the EPA Administrator no later than 24 hours after the system learns of the exceedance.  
Starting October 16, 2024 40 CFR 141.201(c)(3), 40 CFR 141.31(d)(2).
- Provide revised lead health effects language as required in Tier 1 PN for lead action level exceedance and Tier 2 and 3 PN for violations. Starting October 16, 2024. 40 CFR Appendix B (D.23) to Subpart Q of Part 141.
- Initial Inventory and Associated Reporting States reporting to EPA - For each public water system, the number of lead, galvanized requiring replacement, and lead status unknown service lines in its distribution system, reported separately. States receive information in Q4 2024 and report this information by the end of Q1 2025 (3/31/25) for the initial inventory. 40 CFR 142.15(c)(4)(iii)(D).
- Quarterly reports to the Administrator include any system violations for failure to submit initial inventory to the State. States receive information in Q4 2024 report this information by the end of Q1 2025 (3/31/25) for the initial inventory. 40 CFR 142.15(a)(1).
- Notification of Service Line Material and Associated Reporting Quarterly reports to the Administrator include any system violations for failure to certify notifications. States receive information in Q4 2024 report this information by the end of Q1 2025 (3/31/25). 40 CFR 142.15(a)(1).
- Public Notification and Associated Reporting Quarterly reports to the Administrator include any system violations for failure to conduct Tier 1 PN. States receive information in Q4 2024 report this information by the end of Q1 2025 (3/31/25). 40 CFR 142.15(a)(1).
- Reporting of 90th percentile lead concentrations where the State calculates a water system's 90th percentile concentrations: The State provides the results of the 90<sup>th</sup> percentile lead calculations, in writing, to the water system within 15 days of the end of the tap sampling period. Within 15 days of the end of tap sampling periods. Next sampling period ends 12/31/2026. 40 CFR 141.90(h)(3).

6. For the "Levin 3 mil Recirculation project" included in GOWC's response to DR DG-001, Q.6. "Construction Work in Progress", provide the following:
  - a. A description of the project.



- b. The date the project began.
- c. A status update of the project.
- d. The total cost of the project to date (August 14, 2024).
- e. A timeline of the remainder of the work.
- f. An estimated cost for the remainder of the work.

**Response:**

- a. Great Oaks had planned to install equipment in the Lower Levin Tank to circulate water to eliminate thermal stratification. This would keep the water fresher and help reduce bacterial growth.
- b. The project began in 2009.
- c. The project has not yet been completed. Most of the equipment had been stolen and not yet replaced.
- d. The total net cost after insurance settlement is currently \$15,700.
- e. Great Oaks plans to complete a slightly altered project within the next two years.
- f. Remaining cost is estimated to be \$10,000 to \$24,000.

**VERIFICATIONS**

I, Jim Mashburn, am Director of Information Technology for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-013 no. 2 and 3 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at San Jose, California on August 22, 2024.

\_\_\_\_\_  
/S/  
Jim Mashburn

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-013 no. 1 and 4 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on August 22, 2024.

\_\_\_\_\_  
/S/  
Juan Liem

I, John Roeder, am Chief Executive Officer for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-013 no. 5 and 6 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on August 22, 2024.

\_\_\_\_\_  
/S/  
John Roeder

ASHMONT .5 MG - BEFORE



1

A-101



1



1

A-103

ASHMONT 1 MG - AFTER



1

A-104

CALERO TANK - BEFORE



1



1



LOWER LEVIN 3 MG - BEFORE



1

LOWER LEVIN 3 MG - AFTER



1



1

A-109



1

A-110

Year	Equipment Type	Justification	Cost
2025/2026	PCs for Office Staff	Anticipated Obsolescence	\$3,300.00
2025/2026	Outside Webserver Mirror	Add Mirror to Customer information Server	\$3,000.00
2025/2026	UPS Replacement	Anticipated Failure	\$1,800.00
2025/2026	UPS Server battery packs	Consumable	\$959.97
2025/2026	Backup HDDs (2.5" 2TB) - platters	Consumable	\$840.00
2025/2026	Large Server HDDs - platters	Consumable	\$1,150.00
2025/2026	Extrnal HDDs - backup - platters	record retention	\$2,028.00
2025/2026	2927 DrayTek	Anticipated Failure	\$795.00
2025/2026	Laptop - Staff	Anticipated Obsolescence	\$3,600.00
2025/2026	Lexmark Printer (Plus lower hi capacity tray)	High wear / Anticipated Failure	\$2,500.00
2025/2026	AI Server, Internal Pilot	Develop AI capabilities to Aid Staff / customers	\$8,000.00
2025/2026	Computer Monitor - small	High wear / Anticipated Failure / Additional	\$600.00
2025/2026	Office Computer UPS	Anticipated Failure	\$800.00
2025/2026	Solar Winds Engineer Toolset Software	Latest Version	\$3,800.00
2025/2026	Adobe Acrobat Pro Software	One time purchase no longer available	\$1,440.00
2025/2026	Office 365 Enterprise Software	One time purchase no longer available	\$1,728.00
2025/2026	TeamViewer Software	One time purchase no longer available	\$1,354.80
2026/2027	PCs for Office Staff	Anticipated Obsolescence	\$3,300.00
2026/2027	UPS Replacement	Anticipated Failure	\$1,800.00
2026/2027	UPS Server battery packs	Consumable	\$959.97
2026/2027	Backup HDDs (2.5" 2TB) - platters	Consumable	\$840.00
2026/2027	Large Server HDDs - platters	Consumable	\$1,150.00
2026/2027	Extrnal HDDs - backup - platters	record retention	\$2,028.00
2026/2027	2927 DrayTek	Anticipated Failure	\$795.00
2026/2027	Laptop - Staff	Anticipated Obsolescence	\$3,600.00
2026/2027	Lexmark Printer (Plus lower hi capacity tray)	High wear / Anticipated Failure	\$2,500.00
2026/2027	AI Server, Internal Production - Add to Pilot	Production AI system	\$15,000.00
2026/2027	Computer Monitor - small	High wear / Anticipated Failure / Additional	\$600.00
2026/2027	Office Computer UPS	Anticipated Failure	\$800.00
2026/2027	Adobe Acrobat Pro Software	One time purchase no longer available	\$1,440.00
2026/2027	Office 365 Enterprise Software	One time purchase no longer available	\$1,728.00
2026/2027	TeamViewer Software	One time purchase no longer available	\$1,354.80
2027/2028	PCs for Office Staff	Anticipated Obsolescence	\$3,300.00
2027/2028	Billing Server	Anticipated Obsolescence	\$3,500.00
2027/2028	Billing Server Mirror	Anticipated Obsolescence	\$3,500.00
2027/2028	Documentation Server	Build a documentation server (internal)	\$2,500.00
2027/2028	HMI Workstation	Anticipated Obsolescence	\$2,800.00
2027/2028	GIS Workstation	Anticipated Obsolescence	\$2,800.00
2027/2028	UPS Replacement	Anticipated Failure	\$1,800.00
2027/2028	UPS Server battery packs	Consumable	\$959.97
2027/2028	Backup HDDs (2.5" 2TB) - platters	Consumable	\$840.00
2027/2028	Large Server HDDs - platters	Consumable	\$1,150.00
2027/2028	Extrnal HDDs - backup - platters	record retention	\$2,028.00
2027/2028	2927 DrayTek	Anticipated Failure	\$795.00
2027/2028	Laptop - Staff	Anticipated Obsolescence	\$3,600.00
2027/2028	Lexmark Printer (Plus lower hi capacity tray)	High wear / Anticipated Failure	\$2,500.00
2027/2028	Computer Monitor - small	High wear / Anticipated Failure / Additional	\$600.00
2027/2028	Office Computer UPS	Anticipated Failure	\$800.00
2027/2028	Adobe Acrobat Pro	One time purchase no longer available	\$1,440.00
2027/2028	Office 365 Enterprise	One time purchase no longer available	\$1,728.00
2027/2028	TeamViewer	One time purchase no longer available	\$1,354.80

Year	Equipment Type	Justification	Cost
2025/2026	XL4 - HE-XC1E6 PLC	Anticipated Failure	\$ 1,791.00
2025/2026	XL4 - HE-XC1E2 PLC	Anticipated Failure	\$ 4,080.00
2025/2026	Wellsite UPS	Anticipated Failure	\$ 1,887.00
2025/2026	Wellsite UPS Replacement Battery	Anticipated Failure	\$ 1,119.92
2025/2026	2927 DrayTek	Allow VPN to Well 2	\$ 530.00
2025/2026	Antenna Radio 2.4Ghz	Anticipated Failure	\$ 357.00
2025/2026	Antenna Radio 5.0Ghz	Anticipated Failure	\$ 476.00
2025/2026	Site Cooling Fans	Anticipated Failure	\$ 870.00
2025/2026	24V Solar Battery	Upgrade	\$ 900.00
2025/2026	Solar Panel	Upgrade	\$ 195.00
2025/2026	1000' Shielded Cat6	Anticipated Failure	\$ 227.00
2025/2026	Shielded Ends	Anticipated Failure	\$ 950.00
2025/2026	DVR	Anticipated Failure	\$ 597.00
2025/2026	Site Switch	Anticipated Failure	\$ 318.00
2025/2026	Netgear Cell Modem	Upgrade	\$ 90.00
2025/2026	Cameras	Anticipated Failure	\$ 2,274.00
2025/2026	Power Supplies HE-X24-AL-A	Anticipated Failure	\$ 1,146.00
2025/2026	IT/Communications Van - Lightly Used	Facilitate site work	\$ 30,000.00
2025/2026	ArcGIS Professional Plus	Subscription model	\$ 4,200.00
2026/2027	XL4 - HE-XC1E6 PLC	Anticipated Failure	\$ 1,791.00
2026/2027	XL4 - HE-XC1E2 PLC	Anticipated Failure	\$ 4,080.00
2026/2027	Wellsite UPS	Anticipated Failure	\$ 1,887.00
2026/2027	Wellsite UPS Replacement Battery	Anticipated Failure	\$ 1,119.92
2026/2027	2927 DrayTek	Allow VPN to Well 2	\$ 530.00
2026/2027	Antenna Radio 2.4Ghz	Anticipated Failure	\$ 357.00
2026/2027	Antenna Radio 5.0Ghz	Anticipated Failure	\$ 476.00
2026/2027	Site Cooling Fans	Anticipated Failure	\$ 870.00
2026/2027	Solar Panel	Upgrade	\$ 195.00
2026/2027	1000' Shielded Cat6	Anticipated Failure	\$ 227.00
2026/2027	Shielded Ends	Anticipated Failure	\$ 950.00
2026/2027	DVR	Anticipated Failure	\$ 597.00
2026/2027	Site Switch	Anticipated Failure	\$ 318.00
2026/2027	Netgear Cell Modem	Upgrade	\$ 90.00
2026/2027	Cameras	Anticipated Failure	\$ 2,274.00
2026/2027	Power Supplies HE-X24-AL-A	Anticipated Failure	\$ 1,146.00
2026/2027	Radio Tower For Calero	Upgrade / Replace Central Hub	\$ 30,000.00
2026/2027	ArcGIS Professional Plus	Subscription model	\$ 4,200.00
2027/2028	XL4 - HE-XC1E6 PLC	Anticipated Failure	\$ 1,791.00
2027/2028	XL4 - HE-XC1E2 PLC	Anticipated Failure	\$ 4,080.00
2027/2028	Wellsite UPS	Anticipated Failure	\$ 1,887.00
2027/2028	Wellsite UPS Replacement Battery	Anticipated Failure	\$ 1,119.92
2027/2028	2927 DrayTek	Allow VPN to Well 2	\$ 530.00
2027/2028	Antenna Radio 2.4Ghz	Anticipated Failure	\$ 357.00
2027/2028	Antenna Radio 5.0Ghz	Anticipated Failure	\$ 476.00
2027/2028	Site Cooling Fans	Anticipated Failure	\$ 870.00
2027/2028	Solar Panel	Upgrade	\$ 195.00
2027/2028	1000' Shielded Cat6	Anticipated Failure	\$ 227.00
2027/2028	Shielded Ends	Anticipated Failure	\$ 950.00
2027/2028	DVR	Anticipated Failure	\$ 597.00
2027/2028	Site Switch	Anticipated Failure	\$ 318.00
2027/2028	Netgear Cell Modem	Upgrade	\$ 90.00
2027/2028	Cameras	Anticipated Failure	\$ 2,274.00
2027/2028	Power Supplies HE-X24-AL-A	Anticipated Failure	\$ 1,146.00
2027/2028	Power Monitoring	Monitor Power at Critical Stations	\$ 12,000.00
2027/2028	Aeva InTouch Unlimited (Wonderware HMI)	Upgrade to latest version	\$ 20,000.00
2027/2028	ArcGIS Professional Plus	Subscription model	\$ 4,200.00

**Attachment 27:  
Great Oaks' Response to Cal Advocates  
Office' Data Request DG-015**



## GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: September 26, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Daphne Goldberg**  
Utilities Engineer  
Public Advocates Office

Phone: (415) 703-1578  
Email: [daphne.goldberg@cpuc.ca.gov](mailto:daphne.goldberg@cpuc.ca.gov)

**RE: A.24-07-001 Public Advocates DR DG-015 (Exterior Coatings of Tanks and Lower Levin Circulation Project)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request DG-015 (Exterior Coatings of Tanks and Lower Levin Circulation Project).

### DATA REQUESTS

1. In response to DR DG-014, Q.1., GOWC stated that the cost of the exterior coating of tanks project was \$542,325. However, in 2023, the Commission's D.23-04-004 authorized \$461,000 for the project.<sup>2</sup>
  - a. Provide justification for the additional \$81,325 amount for the completed project.
  - b. Provide all invoices and payment receipts for the total amount of \$542,325.

<sup>2</sup> See D.23-04-004, Corrected Partial Settlement Agreement Between Cal Advocates and Great Oaks Water Company, Attachment C (Apr. 11, 2023)



**Response:** The additional cost of \$81,325 was needed to cover the total cost of the whole exterior coatings of tanks project. The total cost of the project was \$542,325. See Attachment 1 for the three invoices GOWC paid to complete the project.

2. In response to DR DG-013, Q.6., regarding its Lower Levin Tank Circulation Project, GOWC stated that it had “planned to install equipment in the Lower Levin Tank to circulate water to eliminate thermal stratification.”
  - a. Provide supporting documents that demonstrate that thermal stratification occurred inside the Lower Levin Tank.

**Response:** Great Oaks has no documents that had specifically demonstrated thermal stratification in the Lower Levin Tank. The temperature differences could be felt on the outside of the tank and the hot air could be felt when the top hatch was opened. The following links are documents describing the general concept of stratification in tanks:  
<https://kascomarine.com/blog/stratification-concerns-water-storage-tanks/>  
[https://kascomarine.com/wp-content/uploads/Kasco-CertiSafe-4Pager-07\\_2023.pdf](https://kascomarine.com/wp-content/uploads/Kasco-CertiSafe-4Pager-07_2023.pdf)

3. In response to DR DG-013, Q.6., regarding its Lower Levin Tank Circulation Project, GOWC stated that it “plans to complete a slightly altered project within the next two years.”
  - a. Explain the “slightly altered project.” Provide supporting documents, if necessary.

**Response:** The equipment may include only the low head pump at the bottom and the pipes extending up without the bottom tripod mount or the floating diffuser cone. A different size pipe and pump may also be used. A Kasco Certisafe mixer may also be used without the vertical pipe. A Gridbee GF Series mixer (<https://www.ixomwatercare.com/equipment/gf-series-grid-powered-mixers>) may also be used.

4. In response to DR DG-013, Q.6., regarding its Lower Levin Tank Circulation Project, GOWC stated that the “Remaining cost is estimated to be \$10,000 to \$24,000.” However, in its GRC Application workpapers, Exhibit E, tab WP19, Cell K35, GOWC added an amount of \$24,000 for the project.
  - a. Provide justification for GOWC’s inclusion of \$24,000 even though GOWC provided a project cost range in response to DG-013.

**Response:** A range of estimate was given because GOWC couldn’t give an exact amount of what it would cost to re-build and install the equipment. Since a number has to be provided in the GRC Application workpapers, the best estimated number to be included is \$24,000 to re-build and install the equipment to complete the project. About fifteen years ago, GOWC spent \$30,200 for the design, drawing and building of the equipment. GOWC estimates that the project will cost approximately about the same.

5. In response to DR DG-013, Q.6., regarding its Lower Levin Tank Circulation Project, GOWC stated that the “project has not yet been completed. Most of the

2

Great Oaks Water Company Response to  
Public Advocates Office Data Request DG-015

equipment had been stolen and not yet replaced.”

- a. Provide a list of the equipment that was stolen.
- b. Explain whether GOWC’s “slightly altered project” requires the same or different equipment that was stolen.

**Response:** a. A welded steel tripod at the bottom of a structure that is submerged at the bottom of a water tank, pump, and floating top structure with diffuser cone. Attachment 2 shows the pictures and drawings of some of the equipment.

b. The altered project may use the same pump, but not use the stainless steel fabricated structures at the top and bottom of the piping.

6. In response to DR DG-013, Q.6., regarding its Lower Levin Tank Circulation Project, GOWC stated that the “total net cost after insurance settlement is currently \$15,700.”
  - a. What was the insurance settlement amount? Provide supporting documentation showing the amount.
  - b. Has GOWC already spent the insurance settlement?

**Response:** It was recorded in the books that GOWC received insurance settlement for \$14,500 for the claim. The insurance settlement was booked as a credit balance to the cost of project. GOWC has spent \$30,200 thus far for the Lower Levin Tank Circulation Project, before the insurance settlement. Net insurance settlement, the cost of the project sitting in Construction Work in Progress account is \$15,700.

GOWC has spent \$5,000 of the insurance settlement fund to rebuild circulation equipment.

#### VERIFICATIONS

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company’s Responses to Public Advocates Office Data Request DG-015 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on September 26, 2024.

\_\_\_\_\_  
/S/  
Juan Liem

Great Oaks Water Company Response to  
Public Advocates Office Data Request DG-015

3

I, John Roeder, am Chief Executive Officer for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-015 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on September 26, 2024.

\_\_\_\_\_  
/s/  
John Roeder

GREAT OAKS WATER COMPANY  
 GENERAL ACCOUNT  
 PO BOX 23490  
 SAN JOSE, CA 95153

WELLS FARGO BANK, N.A.  
 www.wellsfargo.com  
 11-4288/1210

16185

8/13/2024

PAY TO THE ORDER OF Raider Painting

\$\*\*251,437.60

Two Hundred Fifty-One Thousand Four Hundred Thirty-Seven and 60/100\*\*\*\*\* DOLLARS

Raider Painting  
 PO Box 2898  
 Merced, CA 95344

MEMO

**NOT-NEGOTIABLE**

⑈0000016185⑈ ⑆121042882⑆ 1939408009⑈

GREAT OAKS WATER COMPANY GENERAL ACCOUNT

16185

Raider Painting					8/13/2024	
Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
7/26/2024	Bill	Inv 24-1262	251,437.60	251,437.60		251,437.60
					Check Amount	251,437.60

General Checking Acc 251,437.60

GREAT OAKS WATER COMPANY GENERAL ACCOUNT

16185

Raider Painting					8/13/2024	
Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
7/26/2024	Bill	Inv 24-1262	251,437.60	251,437.60		251,437.60
					Check Amount	251,437.60

General Checking Acc 251,437.60



PO Box 2898  
 Merced CA 95344  
 714-377-1427

# Invoice

Date	Invoice #
7/26/2024	24-1262

Bill To
Great Oaks Water Co. 20 Great Oaks Blvd., Ste. 120 San Jose, CA 95119

Job Name & Location
Various Locations San Jose, CA

Contract No.	P.O. or Job No.	Payment Terms	Due Date
		Net 30	8/25/2024

Scope of Work	Proposal Total	Prev Billed	% Complete	Current Billing
Tank Coatings @ 801 Piercy Ranch Rd, San Jose, CA 95138 Tank 1: 1.5M gallon tank: \$118,692 Lift: \$7,100	125,792.00	25,158.40	100.00%	100,633.60
Tank Coatings @ 801 Piercy Ranch Rd, San Jose, CA 95138 Tank 2: 2.8M gallon tank: \$181,405 Lift: \$7,100	188,505.00	37,701.00	100.00%	150,804.00
Tank Coatings @ 4813 Ashmont Dr, San Jose, CA 95119 Tank 1: 1M gallon tank: \$128,425 Lift: \$7,100	135,525.00	135,525.00	100.00%	0.00
Tank Coatings @ 4813 Ashmont Dr, San Jose, CA 95119 Tank 2: 500k gallon tank: \$39,787 Lift: \$5,300	45,087.00	45,087.00	100.00%	0.00
Tank Coatings @ Coyote Peak Trial, San Jose Tank 1: 500k gallon tank: \$41,216 Lift: \$6,200	47,416.00	47,416.00	100.00%	0.00
		<b>Payments / Credits</b>	\$0.00	
ACH Payments are preferable. If available, please contact us to get setup in your system for ACH. We value your business! We look forward to working with you again!		<b>Total</b>	<b>\$251,437.60</b>	
accounting@raiderpainting.com      www.raiderpainting.com		<b>Balance Due</b>	<b>\$251,437.60</b>	

GREAT OAKS WATER COMPANY  
 GENERAL ACCOUNT  
 PO BOX 23490  
 SAN JOSE, CA 95153

WELLS FARGO BANK, N.A.  
 www.wellsfargo.com  
 11-4288/1210

16104

7/16/2024

PAY TO THE ORDER OF Raider Painting

\$\*\*182,422.40

One Hundred Eighty-Two Thousand Four Hundred Twenty-Two and 40/100\*\*\*\*\* DOLLARS

Raider Painting  
 PO Box 2898  
 Merced, CA 95344

MEMO

**NOT-NEGOTIABLE**

⑈0000016104⑈ ⑆121042882⑆ 1939408009⑈

GREAT OAKS WATER COMPANY GENERAL ACCOUNT

16104

Raider Painting					7/16/2024	
Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
6/19/2024	Bill	Inv 24-1227	182,422.40	182,422.40		182,422.40
					Check Amount	182,422.40

General Checking Acc

182,422.40

GREAT OAKS WATER COMPANY GENERAL ACCOUNT

16104

Raider Painting					7/16/2024	
Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
6/19/2024	Bill	Inv 24-1227	182,422.40	182,422.40		182,422.40
					Check Amount	182,422.40

General Checking Acc

182,422.40



PO Box 2898  
 Merced CA 95344  
 714-377-1427

# Invoice

Date	Invoice #
6/19/2024	24-1227

Bill To
Great Oaks Water Co. 20 Great Oaks Blvd., Ste. 120 San Jose, CA 95119

Job Name & Location
Various Locations San Jose, CA

Contract No.	P.O. or Job No.	Payment Terms	Due Date
		Net 30	7/19/2024

Scope of Work	Proposal Total	Prev Billed	% Complete	Current Billing
Tank Coatings @ 862 Promenade Ct, San Jose, CA 95138 Tank 1: 1.5M gallon tank: \$118,692 Lift: \$7,100	125,792.00	25,158.40	20.00%	0.00
Tank Coatings @ 862 Promenade Ct, San Jose, CA 95138 Tank 2: 2.8M gallon tank: \$181,405 Lift: \$7,100	188,505.00	37,701.00	20.00%	0.00
Tank Coatings @ 4810 Ashmont Dr, San Jose, CA 95119 Tank 1: 1M gallon tank: \$128,425 Lift: \$7,100	135,525.00	27,105.00	100.00%	108,420.00
Tank Coatings @ 4810 Ashmont Dr, San Jose, CA 95119 Tank 2: 500k gallon tank: \$39,787 Lift: \$5,300	45,087.00	9,017.40	100.00%	36,069.60
Tank Coatings @ Coyote Peak Trial, San Jose Tank 1: 500k gallon tank: \$41,216 Lift: \$6,200	47,416.00	9,483.20	100.00%	37,932.80
			Payments / Credits	\$0.00
ACH Payments are preferable. If available, please contact us to get setup in your system for ACH. We value your business! We look forward to working with you again!			<b>Total</b>	<b>\$182,422.40</b>
accounting@raiderpainting.com      www.raiderpainting.com		<b>Balance Due</b>	<b>\$182,422.40</b>	

GREAT OAKS WATER COMPANY  
 GENERAL ACCOUNT  
 PO BOX 23490  
 SAN JOSE, CA 95153

WELLS FARGO BANK, N.A.  
 www.wellsfargo.com  
 11-4288/1210

16002

6/4/2024

PAY TO THE ORDER OF Raider Painting

\$\*\*108,465.00

One Hundred Eight Thousand Four Hundred Sixty-Five and 00/100\*\*\*\*\* DOLLARS

Raider Painting  
 PO Box 2898  
 Merced, CA 95344

MEMO

**NOT-NEGOTIABLE**

⑈0000016002⑈ ⑆121042882⑆ 1939408009⑈

GREAT OAKS WATER COMPANY GENERAL ACCOUNT

16002

Raider Painting					6/4/2024	
Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
5/24/2024	Bill	Inv 24-1205	108,465.00	108,465.00		108,465.00
					Check Amount	108,465.00

General Checking Acc 108,465.00

GREAT OAKS WATER COMPANY GENERAL ACCOUNT

16002

Raider Painting					6/4/2024	
Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
5/24/2024	Bill	Inv 24-1205	108,465.00	108,465.00		108,465.00
					Check Amount	108,465.00

General Checking Acc 108,465.00





PO Box 2898  
 Merced CA 95344  
 714-377-1427

# Invoice

Date	Invoice #
5/24/2024	24-1205

Bill To
Great Oaks Water Co. 20 Great Oaks Blvd., Ste. 120 San Jose, CA 95119

Job Name & Location
Various Locations San Jose, CA

Contract No.	P.O. or Job No.	Payment Terms	Due Date
		MOB - Due upon Receipt	5/24/2024

Scope of Work	Proposal Total	Prev Billed	% Complete	Current Billing
Tank Coatings @ 862 Promenade Ct, San Jose, CA 95138 Tank 1: 1.5M gallon tank: \$118,692 Lift: \$7,100	125,792.00		20.00%	25,158.40
Tank Coatings @ 862 Promenade Ct, San Jose, CA 95138 Tank 2: 2.8M gallon tank: \$181,405 Lift: \$7,100	188,505.00		20.00%	37,701.00
Tank Coatings @ 4810 Ashmont Dr, San Jose, CA 95119 Tank 1: 1M gallon tank: \$128,425 Lift: \$7,100	135,525.00		20.00%	27,105.00
Tank Coatings @ 4810 Ashmont Dr, San Jose, CA 95119 Tank 2: 500k gallon tank: \$39,787 Lift: \$5,300	45,087.00		20.00%	9,017.40
Tank Coatings @ Coyote Peak Trial, San Jose Tank 1: 500k gallon tank: \$41,216 Lift: \$6,200	47,416.00		20.00%	9,483.20
			<b>Payments / Credits</b>	\$0.00
ACH Payments are preferable. If available, please contact us to get setup in your system for ACH. We value your business! We look forward to working with you again!			<b>Total</b>	<b>\$108,465.00</b>
<a href="mailto:accounting@raiderpainting.com">accounting@raiderpainting.com</a>	<a href="http://www.raiderpainting.com">www.raiderpainting.com</a>	<b>Balance Due</b>	<b>\$108,465.00</b>	



1

A-124

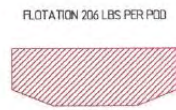
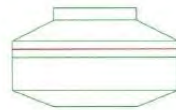
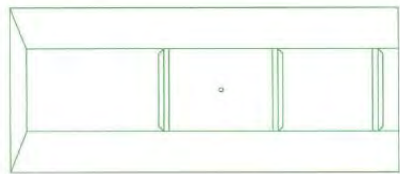
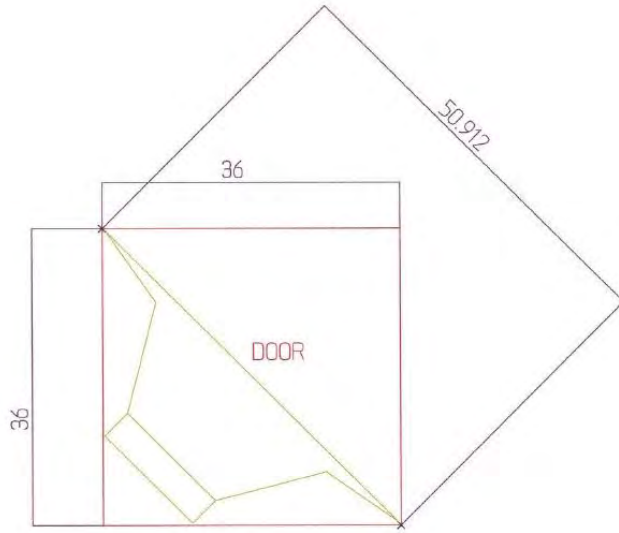
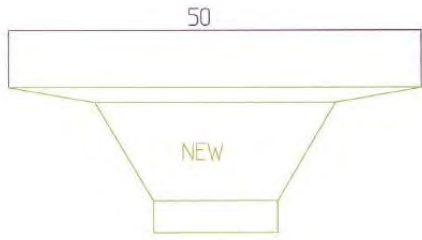


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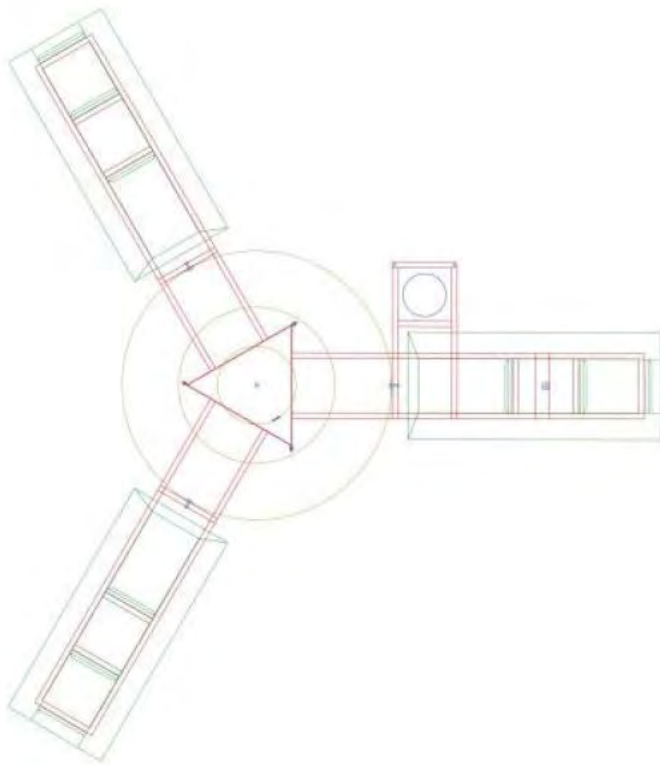
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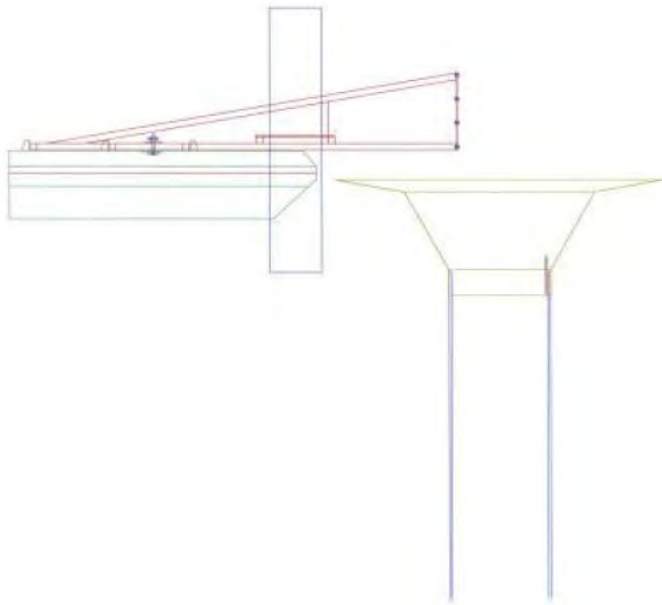
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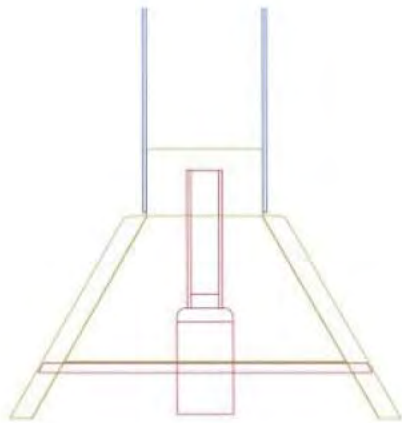
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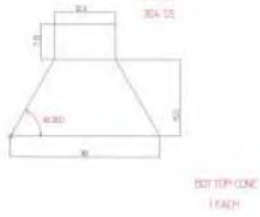
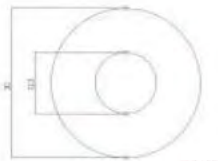
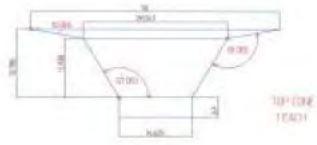
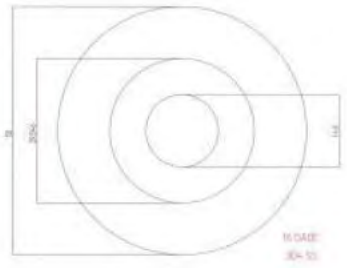


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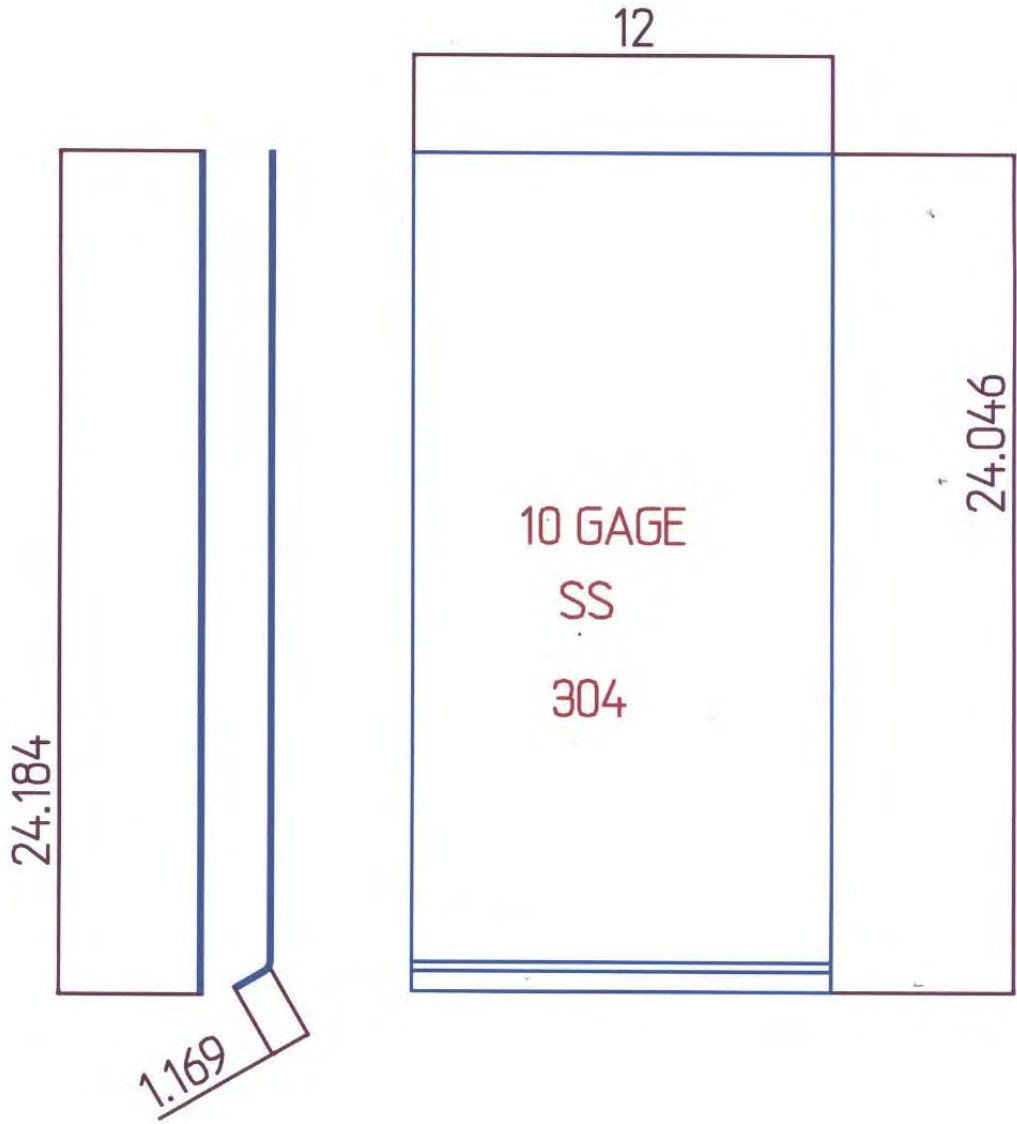


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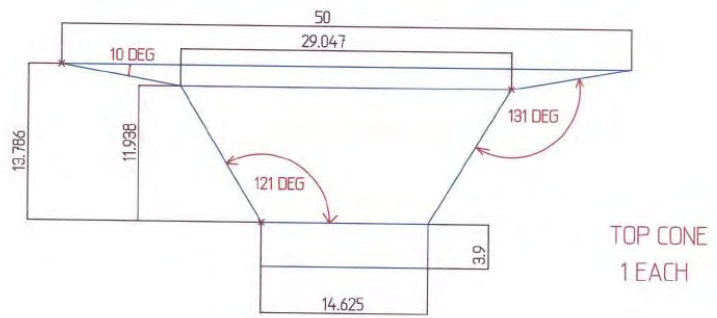
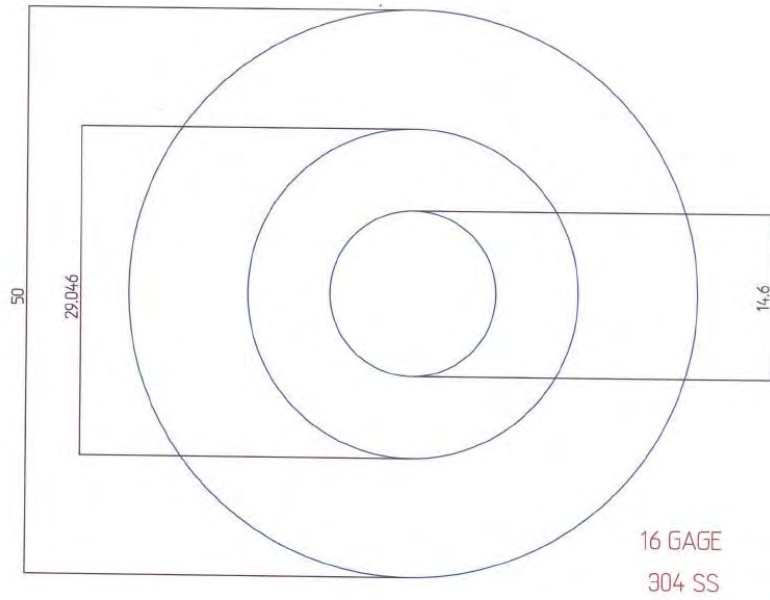


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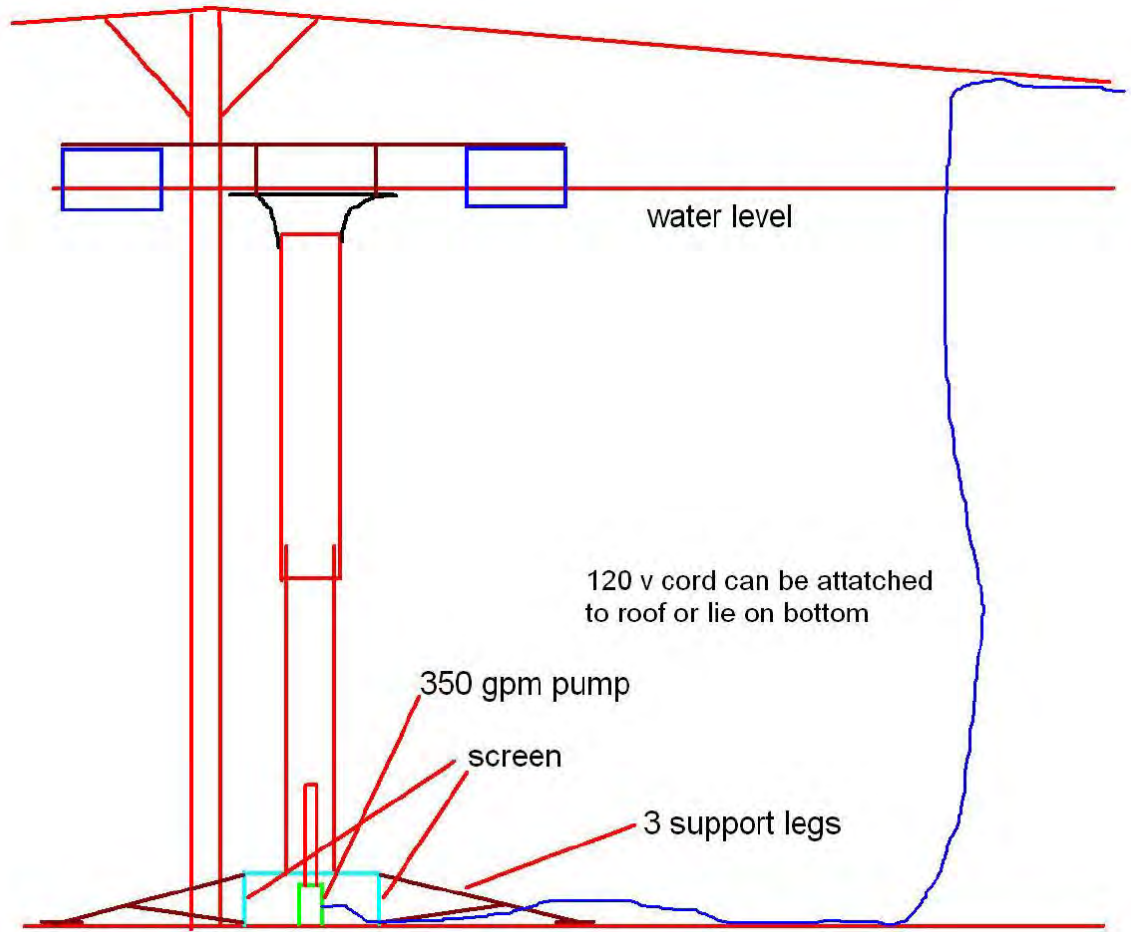


PLATE

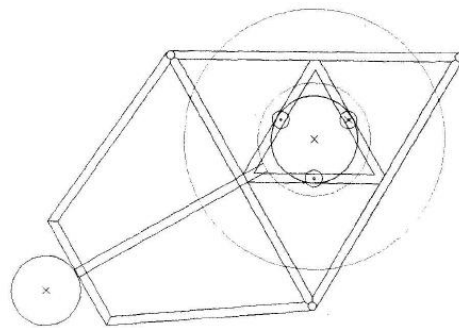
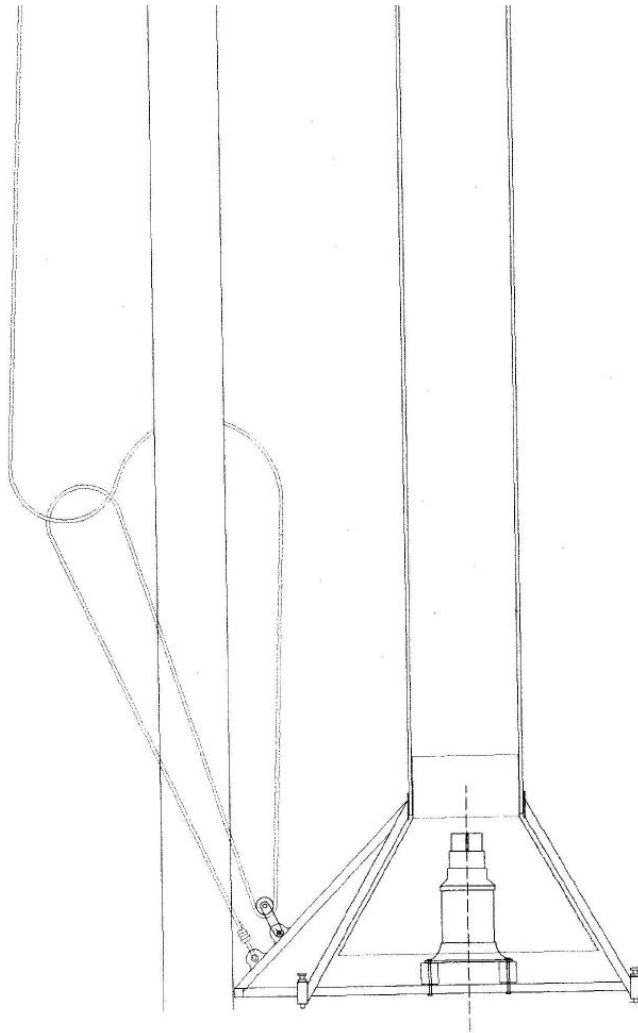
3 EACH



1



1



1

A-135

**Attachment 28:  
Great Oaks' Response to Cal Advocates  
Office' Data Request DG-007**



**GREAT OAKS WATER COMPANY**

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: July 9, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Daphne Goldberg**  
Utilities Engineer  
Public Advocates Office

Phone: (415) 703-1578  
Email: [daphne.goldberg@cpuc.ca.gov](mailto:daphne.goldberg@cpuc.ca.gov)

**RE: Great Oaks Water Company Response to Public Advocates Office DR DG-007 (Meters and Vehicles)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request DG-007 (Meters and Vehicles).

**DATA REQUESTS**

1. GOWC’s proposed application, Exhibit G, Transportation Equipment states:

“Great Oaks plans to replace field service pickup trucks each year with near-zero-emission vehicles. This is part of the Company’s initiative to meet California’s health-based air quality standards and greenhouse gas emission reduction goals. The projected investment cost for this account includes three near-zero-emission vehicles and appropriate markups for necessary additions (toolboxes, radios, etc.)”

a. For each vehicle requested for replacement, provide the following in the DR DG-007

4164025.1

Attachment I table:

For the vehicles to be replaced:

Year  
Make  
Model  
Expected Retirement Year Year  
Replacement Requested Annual  
Mileage  
December 31, 2023, Vehicle Mileage Gross  
Vehicle Weight Rating (GVWR)

For the new vehicle purchases:

Year  
Make  
Model  
Cost

Response: See Attachment 1. GOWC cannot provide the information about the new vehicle that GOWC will purchase as GOWC has not completed the due diligence process to choose the right vehicles.

- b. Explain if GOWC plans to use each proposed near-zero emission vehicle for the same tasks as used by GOWC’s existing field service pickup trucks.

Response: GOWC plans to use each proposed near-zero emission vehicle for the same task as used by GOWC’s existing field service pickup trucks.

- 2. In response to DR DG-002, Q.7., GOWC provided the following table:

**Table 1**

	2019	2020	2021	2022	2023
Total Cost of meter replacement	\$81,123	\$38,752	\$242,027	\$289,356	\$302,209
Number of Meters Replaced	365	60	217	282	103
Average Cost of a Meter Replacement	\$222	\$646	\$1,115	\$1,026	\$2,934

- a. Explain what factors contributed to the increase in number of meters replaced from 60 in 2020 to 217 in 2021.

Response: In 2020, GOWC did not replace as many meters due to the office and the warehouse being closed following the COVID-19 emergency regulations.



- b. Explain what factors contributed to the decrease in number of meters replaced from 282 in 2022 to 103 in 2023.

Response: GOWC does not have a dedicated staff to do meters replacement. The number of meter replacement changes from year to year due to several factors. Some of those factors, are the number of meter inspections scheduled, the availability of staff, and daily projects that need immediate attention, which affect the priority of meter replacement projects.

### VERIFICATIONS

I, Jared Ajlouny, am Vice President, Operations and Director of Construction for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-007 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at San Jose, California on July 9, 2024.

\_\_\_\_\_  
/S/  
Jared Ajlouny

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-007 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on July 9, 2024.

\_\_\_\_\_  
/S/  
Juan Liem

1

GOWC Vehicles to be Replaced								New Vehicle Purchases			
Year	Make	Model	Expected Retirement Year	Year Replacement Requested	Annual Mileage	July 9, 2024 Vehicle Mileage	Gross Vehicle Weight Rating (GVWR)	Year	Make	Model	Cost
2005	Ford	Ranger	Until replaced 2006	2006	8893	168969	4700 lbs	See response to Q.1	See response to Q.1	See response to Q.1	See response to Q.1
2009	Ford	Ranger	Until replaced 2007	2007	13322	199831	4320 lbs	See response to Q.1	See response to Q.1	See response to Q.1	See response to Q.1
2009	Ford	Ranger	Until replaced 2008	2008	9719	145791	4320 lbs	See response to Q.1	See response to Q.1	See response to Q.1	See response to Q.1

2

**Attachment 29:  
Great Oaks' Response to Cal Advocates  
Office' Data Request JBQ-005**



**GREAT OAKS WATER COMPANY**

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: July 22, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**RE: Great Oaks Water Company Response to Public Advocates Office DR JBQ-005 (BAMA 5)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request JBQ-005 (BAMA 5).

**DATA REQUESTS**

**Balancing and Memorandum Accounts (BAMAs):**

1. Referring to GOWC’s response to Public Advocates Office DR JBQ-001, Q.1m. regarding the Battery Energy Storage System Memo Account:
  - a. For the years 2019-2023, list all "short outages" GOWC experienced. Include the date of the outage, duration, and whether the water service was interrupted.

Date of Outage	Outage Duration	Affected water service

Response: GOWC did not experience “short outages” for the years 2019-2023.

b. For each outage listed in response to Q.1., provide the "power cost".

Response: Not applicable.

c. For the years 2019-2023, list all "extreme events" GOWC experienced. Include the date of the extreme event, duration, and whether the water service was interrupted. Refer to GOWC's response to JBQ-001, Q.1.M. Attachment 4, p. 8.

Date of Extreme Event	Outage Duration	Affected water service

Response: There was no "extreme events" GOWC experienced that affected the water service getting interrupted from power outage.

For each extreme event listed in response to Q.1., provide the "power cost".

Response: Not applicable

**VERIFICATIONS**

I, Jared Ajlouny, am Vice President, Operations and Director of Construction for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request JBQ-005 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at San Jose, California on July 22, 2024.

\_\_\_\_\_  
/S/  
Jared Ajlouny

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request JBQ-005 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on July 22, 2024.

\_\_\_\_\_  
/S/  
Juan Liem

Great Oaks Water Company Response to  
Public Advocates Office Data Request JBQ-005

**Attachment 30:  
Great Oaks' Response to Cal Advocates  
Office' Data Request JBQ-001 Q.2.d.**



## GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: June 19, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**RE: Great Oaks Water Company Response to Public Advocates Office DR JBQ-001 (BAMA)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request JBQ-001 (BAMA).

### **DATA REQUESTS**

1  
2

- c. Please provide any possible grant-funding documents GOWC received from sources or from any federal or state entity.

Response: See Attachment 4 for a brief explanation on funding through Department of Energy GRIP program and California Energy Commission DEBA program.

- d. Please explain why GOWC is not making the capital investment using its operational flexibility, and request to add that in the rate base in the next GRC when speculation of federal/state grant could be over?

Response: There is uncertainty regarding how much federal/state grant funding GOWC will actually receive. In addition, the success rate of getting the grant is estimated to be less than 50%. Since there is uncertainty around the costs related to this project, a memorandum account is the appropriate mechanism to record the actual costs for future review and potential recovery.

**Attachment 31:  
Great Oaks' Response to Cal Advocates  
Office' Data Request DG-002**





## GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: June 14, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Daphne Goldberg**  
Analyst/Engineer  
Public Advocates Office

Phone: (415) 703-1578  
Email: [daphne.goldberg@cpuc.ca.gov](mailto:daphne.goldberg@cpuc.ca.gov)

**RE: Great Oaks Water Company Response to Public Advocates Office DR DG-002 (Wells)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request DG-002 (Wells).

### DATA REQUESTS

1. For each well listed in A2407xxx DR DG-002 Attachment 1 of this data request, please provide the following information. Add additional wells, if not included.
  - a. First recorded date of operations (Month/Year)
  - b. Current status (Active, Standby, Inactive)
  - c. Date that status changed from Active to Standby or Inactive, if applicable (Month/Year)
  - d. For Standby and Inactive wells, first recorded date of zero production (Month/Year)
  - e. For Standby and Inactive wells, provide the reason the well status changed from Active to Standby/Inactive
  - f. Zone number (for example: W-2 or W-7)

4144808.1

- g. January 2023-May 2024 monthly production (MGD)
- h. Net Book Value (\$)

Response:

- See Attachment 1 for responses to Question 1.a-g.
  - Question 1.h. Great Oaks uses Straight-Line Remaining Life Depreciation methodology for depreciating its fixed assets. This methodology allows units of assets to be grouped into classes of property. All of the wells listed in A2407xxx are grouped into a class of property: Wells. Great Oaks use a composite value of the remaining life expectancy for all of the wells to calculate the depreciation factor and expenses for the Wells. The Net Book Value for the Wells class of property as of December 31, 2023, is \$3,361,672.73.
2. Please provide a rehabilitation plan for each Standby and Inactive well listed in Attachment 1, if available.

Response: None. The three wells have been on Standby status for approximately 20 years. In the event Great Oaks decides to change those wells to Active status, it will follow the CPUC guidelines for well rehabilitation and approval.

**VERIFICATIONS**

I, Mike Carey, am Water Quality Manager for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-002 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at San Jose, California on June 14, 2024.

\_\_\_\_\_  
/S/  
Mike Carey

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-002, Question No. 1.h. and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on June 14, 2024.

\_\_\_\_\_  
/S/  
Juan Liem

Well Name	First Recorded Date of Operations	Current Status (Active, Standby, Inactive)	Date Status Changed from Active to Standby or Inactive, if applicable	For Standby and Inactive Wells: First Recorded Date of Zero Production	For Standby and Inactive wells: The reason the well status changed from Active to Standby/Inactive	Zone	Monthly Production (MG)												Net Book Value (\$)					
							Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23		Jan-24	Feb-24	Mar-24	Apr-24	May-24
Well 01	2/17/1960	ACTIVE				W-2	0.03	0.019	0.054	0	0.03	0.2548	0	0.0499	0.0541	0	0.0303	0	0	0.029	0	0	24.84	See response to Question 1.b
Well 02	8/7/1959	ACTIVE				W-2	0.022	0.023	0.047	0	0.022	0.4392	0	0.0375	0.0228	0	0.0124	0	0	0.0283	0	0	0.0381	See response to Question 1.b
Well 03	7/28/1967	STANDBY	Active/standby Aug 2006	Oct-04	Used less than 15 days per year	W-2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	See response to Question 1.b
Well 04	6/27/1968	ACTIVE				W-2	0	0.0003	0.0007	0	0	0	0	0	0	0	0	0	0	0	0	0	0	See response to Question 1.b
Well 07	4/28/1971	ACTIVE				W-2	0	0	0.024	0	0.0117	0	0	0.0411	0	0	0.0769	0	0	0.0622	0	0	0.0362	See response to Question 1.b
Well 08	6/11/1972	ACTIVE				W-2	0	0.043	0.165	0.0199	4.48	11.58	33.27	36.33	26.38	17.55	6.788	1.88	0.3975	0.3975	1.202	2.004	11.17	See response to Question 1.b
Well 09	3/21/1972	ACTIVE				W-2	0.015	0.012	0.031	2.398	10.53	37.92	39.64	39.88	38.18	38.18	13.82	0.0818	0	0.013	0	0	0	See response to Question 1.b
Well 10	11/30/1972	ACTIVE				W-2	0.021	0	0.078	0.629	8.653	15.042	8.635	9.892	0.4432	0	0.0085	0	0	0.0238	0	0	3.48	See response to Question 1.b
Well 11	12/4/1972	ACTIVE				W-2	0	0	0.022	0	0.074	0.0039	0	0.03	0	0	0	0	0	0	0	0	0.0215	See response to Question 1.b
Well 12	12/15/1972	ACTIVE				W-2	0.014	0.011	0.026	0	0.0205	0.045	0	0.0225	0	0	0.0169	0	0	0.025	0	0	0.0388	See response to Question 1.b
Well 13	12/1/1978	STANDBY	Active/standby June 2006	Jun-04	Used less than 15 days per year	W-2	0.003	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	See response to Question 1.b
Well 16	2/25/1983	ACTIVE				W-2	0	0	0	0	0.2672	3.083	19.05	22.86	17.81	7.974	0.4073	0.2607	0	0.1206	0	0.6126	7.283	See response to Question 1.b
Well 18	2/11/1985	STANDBY	Active/standby June 2006	Aug-04	Used less than 15 days per year	W-2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	See response to Question 1.b
Well 19	10/7/1991	ACTIVE				W-2	0.013	0.013	0.023	0	0.013	0	0	0.062	0.0163	0	0.0293	0	0	0.0161	0.0163	0	0.0326	See response to Question 1.b
Well 20	9/5/1998	ACTIVE				W-2	0.0192	0.024	0.034	0	0.024	0.2428	0	0.0701	0	0	0	0	0	0	0	0	0.003	See response to Question 1.b
Well 21	12/29/1997	ACTIVE				W-2	0.022	0.033	0.039	0	0.719	0.6146	0	0.1215	0.0368	0	0.0336	0	0	0.0218	0	0	0.0385	See response to Question 1.b
Well 22	5/21/2004	ACTIVE				W-7	5.84	4.014	3.21	5.842	5.842	5.301	5.292	5.267	5.016	5.181	4.982	5.377	5.339	5.165	5.519	5.079	5.023	See response to Question 1.b
Well 23	2/19/2005	ACTIVE				W-7	33.27	29.5	33.6	30.11	27.69	27.46	27.11	27.44	26.78	27.83	27.52	30.81	31.56	30.71	32.17	28.52	26.88	See response to Question 1.b
Well 23A	5/13/2016	ACTIVE				W-7	41.09	36.69	40.93	36.54	33.59	33.21	32.12	32.05	30.85	32.43	31.65	35.02	35.31	34.21	35.87	31.72	29.3	See response to Question 1.b
Well 24	8/31/2008	ACTIVE				W-7	6.73	8.2	8.36	32.2	57	53.45	54.35	53.95	50.58	51.96	50.07	37.25	21.04	13.9	23.78	44.4	58.83	See response to Question 1.b
Well 24A	8/19/2020	ACTIVE				W-7	2.68	0.971	0.847	10.18	27.22	25.96	26.25	25.76	23.15	21.503	14.64	5.735	0.1857	0.2314	1.206	13.23	31.84	See response to Question 1.b
Well 24B	8/11/2022	ACTIVE				W-7	48.09	45.17	50.46	46.94	45.03	44.12	44.14	44.84	43.48	45.28	44.4	48.69	48.75	46.96	49.83	45.86	44.88	See response to Question 1.b
Well 24C	8/4/2022	ACTIVE				W-7	46.68	45.01	45.21	41.1	40.6	41.17	40.88	41.38	40.1	43.72	41.13	44.98	43.53	43.54	46.35	41.99	40.79	See response to Question 1.b

**Attachment 32:  
Great Oaks' Response to Cal Advocates  
Office' Data Request DG-005**



## GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: July 3, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Daphne Goldberg**  
Utilities Engineer  
Public Advocates Office

Phone: (415) 703-1578  
Email: [daphne.goldberg@cpuc.ca.gov](mailto:daphne.goldberg@cpuc.ca.gov)

**RE: Great Oaks Water Company Response to Public Advocates Office DR DG-005 (PFAS Regulations)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request DG-005 (PFAS Regulations).

### DATA REQUESTS

1. Refer to GOWC's MDR II. G.8. (Water Quality) response, below, to respond to the following questions:

GOWC stated "The Company does not expect regulations to be promulgated in the next five years will affect operations."

However, on April 10, 2024, the United States Environmental Protection Agency (EPA) issued new PFAS Regulations.

See <https://www.epa.gov/sdwa/and-polyfluoroalkyl-substances-pfas> and

<https://www.waterboards.ca.gov/pfas/>

- a. Please explain the steps GOWC is taking to ensure that it will meet the EPA's new PFAS regulations, including monitoring, sampling, treatment options, etc.

Response: During initial PFAS testing of UCMR 3 in 2015, all of GOWC's wells tested ND (Non-Detect). As a result, no further monitoring was scheduled. GOWC is waiting for the State Water Resources Control Board (SWRCB) Division of Drinking Water to issue new monitoring requirements following the new PFAS Regulations.

- b. Has GOWC detected PFAS in any of its wells between 2021 and the present?

Response: No, GOWC has not sampled PFAS between 2021 and the present. GOWC has not been mandated to do so and GOWC does not have facilities in its service area that would dictate a need to sample.

- c. If the response to Q.1.b., is "yes", list each well and corresponding PFAS amount between 2021 and the present.

Response: Not applicable.

- d. For each well included in response to Q.1.b., provide GOWC's plan to remove the PFAS.

Response: Not applicable.

For each well that requires PFAS treatment, explain how GOWC plans to fund the cost of treatment

Response: No funding is needed as no PFAS treatment is required.

## VERIFICATIONS

I, Mike Carey, am Water Quality Specialist for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-005 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at San Jose, California on July 3, 2024.

\_\_\_\_\_/S/  
Mike Carey

**Attachment 33:  
Great Oaks' Response to Cal Advocates  
Office' Data Request DG-017**



## GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: October 15, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Daphne Goldberg**  
Utilities Engineer  
Public Advocates Office

Phone: (415) 703-1578  
Email: [daphne.goldberg@cpuc.ca.gov](mailto:daphne.goldberg@cpuc.ca.gov)

**RE: A.24-07-001 Public Advocates DR DG-017 (Lead and Copper Rule Requirements)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request DG-017 (Lead and Copper Rule Requirements).

### DATA REQUESTS

1. Provide documentation showing that Great Oaks completed the customer service line inventory requirement per the EPA Lead and Copper Rule Revisions due to be submitted to the California State Water Resources Control Board (Water Board) before October 16, 2024.

**Response:** The Initial Lead Service Line Inventory report was submitted to the Water Board on October 10, 2024. See Attachment 1 for a screenshot of the submission confirmation.

2. Provide a timeline of when Great Oaks plans to complete each additional Lead



and Copper Rule Revisions requirement. If a specific requirements is not applicable to Great Oaks, indicate that as well.

As a reminder, in response to DR DG-13, Q.5., Great Oaks stated the following:

**Response:** Great Oaks has completed approximately 35% of the customer service line inventory. Great Oaks intends to submit the completed survey to the Water Board before October 16. Great Oaks plans to complete the following requirements, if applicable, by the dates shown:

- Submission of initial inventory to the State October 16, 2024 40 CFR 141.90(e)(1)  
Failure to submit initial inventory to the State by October 16, 2024 requires Tier 3 Public Notification (PN). Starting October 16, 2024. 40 CFR Appendix A to Subpart Q of Part 141 I.C.1 (exclude Tier 3 notification for 141.90 except 141.90(e) (1), (e)(13), and (f)(4)).
- Notification of Service Line Material and Associated Reporting Notification of known or potential service line containing lead within 30 days of completion of the inventory (initial) and repeat notification on an annual basis until the entire service connection is no longer lead, galvanized requiring replacement, or unknown. For new customers, water systems shall also provide the notice at the time of service initiation. Within 30 days of completion of the inventory and then annually. 40 CFR 141.85(e).
- Provide revised lead health effects language in public education materials to ensure consistent notification messaging with PN requirements (as referenced in 141.85(e)).  
Starting October 16, 2024. 40 CFR 141.85(e)(3) requires health information meeting the requirements of 40. CFR 141.85(a)(1)(ii).
- Annual reporting to the State by July 1 that the system provided notification and delivered lead service line information materials to affected consumers with lead, galvanized requiring replacement, or unknown service lines for the previous calendar year.  
Water systems shall provide a copy of the notification and information materials to the State. July 1, 2025 and then annually. 40 CFR 141.90(e)(13), 40 CFR 141.90(f)(4).
- Failure to certify to the State that the system notified persons served at service connections of a known or potential service line containing lead requires Tier 3 PN.

3

Great Oaks Water Company Response to  
Public Advocates Office Data Request DG-013

Starting October 16, 2024 40 CFR Appendix A to Subpart Q of Part 141 I.C.1 (exclude Tier 3 for 141.90 except 141.90(e)(1), (e)(13), and (f)(4)).

- Public Notification and Associated Reporting Exceedance of the lead action level as specified in § 141.80(c) requires Tier 1 PN provided to persons served by the water system no later than 24 hours after the system learns of the exceedance.  
Starting October 16, 2024 40 CFR 141.201(a)(3)(vi) (In Table 1 to § 141.201), 40 CFR 141.202(a)(10) (In Table 1 to § 141.202), 40 CFR Appendix A to Subpart Q of Part 141 C.2.
- A copy of the Tier 1 PN for lead action level exceedance must be sent to the primacy agency and the EPA Administrator no later than 24 hours after the system learns of the exceedance.  
Starting October 16, 2024 40 CFR 141.201(c)(3), 40 CFR 141.31(d)(2).
- Provide revised lead health effects language as required in Tier 1 PN for lead action level exceedance and Tier 2 and 3 PN for violations. Starting October 16, 2024, 40 CFR Appendix B (D.23) to Subpart Q of Part 141.
- Initial Inventory and Associated Reporting States reporting to EPA - For each public water system, the number of lead, galvanized requiring replacement, and lead status unknown service lines in its distribution system, reported separately. States receive information in Q4 2024 and report this information by the end of Q1 2025 (3/31/25) for the initial inventory. 40 CFR 142.15(c)(4)(iii)(D).
- Quarterly reports to the Administrator include any system violations for failure to submit initial inventory to the State. States receive information in Q4 2024 report this information by the end of Q1 2025 (3/31/25) for the initial inventory. 40 CFR 142.15(a)(1).
- Notification of Service Line Material and Associated Reporting Quarterly reports to the Administrator include any system violations for failure to certify notifications. States receive information in Q4 2024 report this information by the end of Q1 2025 (3/31/25). 40 CFR 142.15(a)(1).
- Public Notification and Associated Reporting Quarterly reports to the Administrator include any system violations for failure to conduct Tier 1 PN. States receive information in Q4 2024 report this information by the end of Q1 2025 (3/31/25). 40 CFR 142.15(a)(1).
- Reporting of 90th percentile lead concentrations where the State calculates a water system's 90th percentile concentrations: The State provides the results of the 90<sup>th</sup> percentile lead calculations, in writing, to the water system within 15 days of the end of the tap sampling period. Within 15 days of the end of tap sampling periods. Next sampling period ends 12/31/2026. 40 CFR 141.90(h)(3).

**Response:** See the following requirement list with comments:

- Submission of initial inventory to the State October 16, 2024 40 CFR 141.90(e)(1)  
Failure to submit initial inventory to the State by October 16, 2024 requires Tier 3 Public Notification (PN). Starting October 16, 2024, 40 CFR Appendix A to Subpart Q of Part 141

I.C.1 (exclude Tier 3 notification for 141.90 except 141.90(e) (1), (e)(13), and (f)(4)). The report was submitted on October 10, 2024.

- Notification of Service Line Material and Associated Reporting Notification of known or potential service line containing lead within 30 days of completion of the inventory (initial) and repeat notification on an annual basis until the entire service connection is no longer lead, galvanized requiring replacement, or unknown. For new customers, water systems shall also provide the notice at the time of service initiation. Within 30 days of completion of the inventory and then annually. 40 CFR 141.85(e). Not applicable as no service line material contains lead.
- Provide revised lead health effects language in public education materials to ensure consistent notification messaging with PN requirements (as referenced in 141.85(e)). Starting October 16, 2024. 40 CFR 141.85(e)(3) requires health information meeting the requirements of 40. CFR 141.85(a)(1)(ii). Not applicable as no service line material contains lead.
- Annual reporting to the State by July 1 that the system provided notification and delivered lead service line information materials to affected consumers with lead, galvanized requiring replacement, or unknown service lines for the previous calendar year. Water systems shall provide a copy of the notification and information materials to the State. July 1, 2025 and then annually. 40 CFR 141.90(e)(13), 40 CFR 141.90(f)(4). Not applicable as no service line material contains lead.
- Failure to certify to the State that the system notified persons served at service connections of a known or potential service line containing lead requires Tier 3 PN. Starting October 16, 2024 40 CFR Appendix A to Subpart Q of Part 141 I.C.1 (exclude Tier 3 for 141.90 except 141.90(e)(1), (e)(13), and (f)(4)). Not applicable as no service line material contains lead.
- Public Notification and Associated Reporting Exceedance of the lead action level as specified in § 141.80(c) requires Tier 1 PN provided to persons served by the water system no later than 24 hours after the system learns of the exceedance. Starting October 16, 2024 40 CFR 141.201(a)(3)(vi) (In Table 1 to § 141.201), 40 CFR 141.202(a)(10) (In Table 1 to § 141.202), 40 CFR Appendix A to Subpart Q of Part 141 C.2. Not applicable as no service line material contains lead.
- A copy of the Tier 1 PN for lead action level exceedance must be sent to the primacy agency and the EPA Administrator no later than 24 hours after the system learns of the exceedance. Starting October 16, 2024 40 CFR 141.201(c)(3), 40 CFR 141.31(d)(2). Not applicable as no service line material contains lead.
- Provide revised lead health effects language as required in Tier 1 PN for lead action level exceedance and Tier 2 and 3 PN for violations. Starting October 16, 2024. 40 CFR Appendix B (D.23) to Subpart Q of Part 141. Not applicable as no service line material contains lead

- Initial Inventory and Associated Reporting States reporting to EPA - For each public water system, the number of lead, galvanized requiring replacement, and lead status unknown service lines in its distribution system, reported separately. States receive information in Q4 2024 and report this information by the end of Q1 2025 (3/31/25) for the initial inventory. 40 CFR 142.15(c)(4)(iii)(D). Great Oaks will work with the Water Boards to provide any other information needed for the state to report to EPA by the end of Q1 2025.
- Quarterly reports to the Administrator include any system violations for failure to submit initial inventory to the State. States receive information in Q4 2024 report this information by the end of Q1 2025 (3/31/25) for the initial inventory. 40 CFR 142.15(a)(1). Not applicable as the initial inventory report was submitted to the State in a timely manner.
- Notification of Service Line Material and Associated Reporting Quarterly reports to the Administrator include any system violations for failure to certify notifications. States receive information in Q4 2024 report this information by the end of Q1 2025 (3/31/25). 40 CFR 142.15(a)(1). Great Oaks will work with the Water Boards to provide any other information needed for the state to report to EPA by the end of Q1 2025.
- Public Notification and Associated Reporting Quarterly reports to the Administrator include any system violations for failure to conduct Tier 1 PN. States receive information in Q4 2024 report this information by the end of Q1 2025 (3/31/25). 40 CFR 142.15(a)(1). Great Oaks will work with the Water Boards for any additional information that the State may need.
- Reporting of 90th percentile lead concentrations where the State calculates a water system's 90th percentile concentrations: The State provides the results of the 90<sup>th</sup> percentile lead calculations, in writing, to the water system within 15 days of the end of the tap sampling period. Within 15 days of the end of tap sampling periods. Next sampling period ends 12/31/2026. 40 CFR 141.90(h)(3). Not applicable as no service line material contains lead.

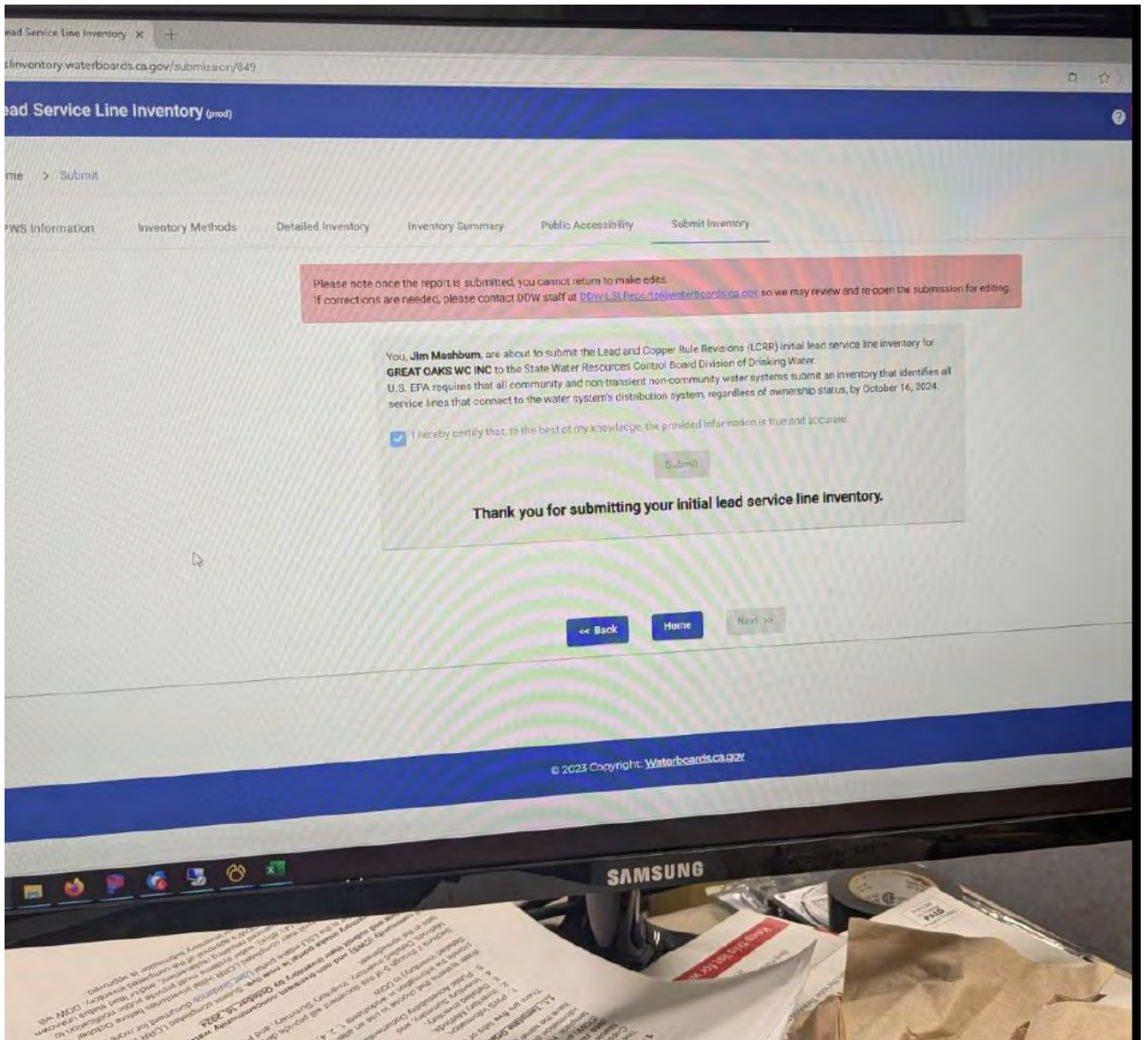
### VERIFICATIONS

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-017 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on October 15, 2024.

\_\_\_\_\_/S/  
Juan Liem



1

**Attachment 34:  
Great Oaks' Response to Cal Advocates  
Office' Data Request DG-008**



**GREAT OAKS WATER COMPANY**

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: July 15, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Daphne Goldberg**  
Utilities Engineer  
Public Advocates Office

Phone: (415) 703-1578  
Email: [daphne.goldberg@cpuc.ca.gov](mailto:daphne.goldberg@cpuc.ca.gov)

**RE: Great Oaks Water Company Response to Public Advocates Office DR DG-008 (Wells 24B and 24C)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request DG-008 (Wells 24B and 24C).

**DATA REQUESTS**

1. In response to DR DG-001, Q.3., GOWC responded:

“The total fixed asset addition to Wells includes capital expenditures associated with redevelopment of other well sites. The construction costs of Well 24B and 24C are less than the total payment receipts described in Question 3. The combined payment receipts for construction of Well 24B and 24C and redevelopment of other well sites total \$1,603,950 for 2022 and \$335,602 for 2023.”

a. In the table below, provide each Well number, total cost of

41515641

“redevelopment”, and description of the redevelopment project referenced in GOWC’s response (add rows as necessary).

Well Number	Redevelopment Project Description	Total Cost (\$)
22	Motor replacement	\$17,971.17
24A-C	Electrical work needed for chlorination system to Wells 24A, B, C	\$25,005.84
16	Pump and motor replacement and chemical and physical redevelopment	\$309,583.45
24 B and C	Drilling and Construction of the wells	\$1,586,991.44

### VERIFICATIONS

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company’s Responses to Public Advocates Office Data Request DG-008 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on July 15, 2024.

\_\_\_\_\_  
/s/  
Juan Liem



**Attachment 35:**  
**Great Oaks' Response to Cal Advocates**  
**Office' Data Request PAD-007**



## GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: October 21, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Prashanta Adhikari**  
Analyst  
Public Advocates Office

Phone: (415) 703-3445  
Email: [prashanta.adhikari@cpuc.ca.gov](mailto:prashanta.adhikari@cpuc.ca.gov)

**RE: Great Oaks Water Company Response to Public Advocates Office DR PAD-007 (Deferred Taxes)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request PAD-007 (Deferred Taxes).

### DATA REQUESTS

#### Deferred Income Tax:

2. Please refer to Exhibit E, tab "WP 1 – Summary Of Earnings" of MS Excel Workpapers "A.24- 07-001 - Updated Exhibit E - GRC Workpapers (4233477.1).xlsx". In cell K31 Great Oaks calculates total expenses for the Test Year 2025/2026, including California deferred income taxes (Cell K27) and Federal deferred income taxes (Cell K29). National Association of Regulatory Utility Commissioners' (NARUC) Rate Case Manual states that

accumulated deferred income tax is deducted from rate base.<sup>2</sup>

Please explain why deferred income tax amount estimated in cell K27 and K29 are included in Great Oaks's total expenses for Test Year 2025/2026.

Response: The deferred income tax expenses were calculated because there are timing differences between the income tax expense recorded in the book and the income taxes that were calculated in a tax return and paid to the IRS. The primary driver for the differences include accelerated tax depreciation expense and the amortization of taxes that were paid in the year the company received advances for construction.

The 2021 general rate case Results of Operation (RO) model included the result of the calculation of deferred income tax amount in the total expenses for Test Year 2022/2023. To be consistent with the previously used RO model, Great Oaks included deferred income tax in the total expenses for Test Year 2025/2026.

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request PAD-007 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on October 21, 2024.

\_\_\_\_\_  
/s/  
Juan Liem

<sup>2</sup> Page 26 of NARUC's Rate Case and Audit Manual, 2003 (<https://ipu.msu.edu/wp-content/uploads/2017/05/NARUC-Rate-Case-and-Audit-Manual-2003.pdf>).

**Attachment 36:  
Summary and Tables of Cal Advocates'  
Results of Operation Model (RO Model  
Tables)**

1

1 **Results of Operations Summary**

2 The process for determining the necessary rate change in a general rate case  
3 requires comparing two basic calculations. The first produces a revenue requirement, an  
4 estimate of the budget that a utility needs to provide safe and reliable service. The second  
5 calculation estimates the utility’s ability to achieve the revenue requirement by  
6 forecasting the revenue likely to be collected at present rates.<sup>319</sup>

7 However, Great Oaks does not provide revenues at present rates in its application,  
8 using previous-year revenues to calculate the increase to the revenue requirement.<sup>320</sup> Cal  
9 Advocates received the revenues at present rates through the discovery process.<sup>321</sup> The  
10 difference (as a percentage) between revenues at present rates and revenue requirement  
11 determines the overall change in average system rates. An increase in average system  
12 rates is needed when the revenue requirement exceeds the revenue estimated at present  
13 rates. However, an increase in customers, water consumption, or rates may produce an  
14 estimated revenue that exceeds the calculated revenue requirement and, therefore, a  
15 decrease in average system rates is necessary.

16 To accurately show the increase in rates, Cal Advocates uses revenues at present  
17 rates to show the changes needed to meet Great Oaks’s revenue requirement. The  
18 following table compares the change in revenue from present rates necessary to achieve  
19 the Revenue Requirements estimated by Cal Advocates and Great Oaks for each of the  
20 three fiscal years addressed in this proceeding.

21 **Table 1: Comparison between Cal Advocates Recommended and Great Oaks**  
22 **Requested Revenue Changes**

	Cal Advocates	Great Oaks
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<sup>319</sup> Present rates are the rates customers are currently paying as authorized by the Commission.

<sup>320</sup> Application, Page 4.

<sup>321</sup> Please see the testimony of Cal Advocates Witness Prashanta Adhikari.

Fiscal Year	Change in Revenue	Percentage Change	Change in Revenue	Percentage Change
2025/2026	-\$5.7 million	-20.35%	\$1.6 million	5.84%
2026/2027	\$1.7 million	7.68%	\$2.2 million	7.58%
2027/2028	\$2 million	8.28%	\$2.4 million	7.94%

1  
2           The Commission should adopt a revenue decrease of 20.35% in Test Year  
3 2025/2026 and increases of 7.68% in 2026/2027, and 8.28% in 2027/2028. Great Oaks  
4 proposes revenue requirement increases of 5.84% in Test Year 2025/2026, 7.58% in  
5 2026/2027, and 7.94% in 2027/2028 in its updated application.<sup>322</sup> The Commission  
6 should adopt a total revenue requirement of \$\$22.4 million in Test Year 2025/2026. This  
7 recommendation is \$6 million less than Great Oaks’s requested revenue requirement of  
8 \$28.4 million in the updated application. Cal Advocates recommended total revenue  
9 requirement is a decrease of \$5.7 million from present rates for Test Year 2025/2026.  
10 Great Oaks’s requested revenue requirement is an increase of \$1.6million from present  
11 rates for Test Year 2025/2026.

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<sup>322</sup> Updated Exhibit E, WP1 - Summary of Earnings, based on revenues at present rates.

## **RESULTS OF OPERATIONS TABLES**

In developing the following Results of Operations (“RO”) Tables, Cal Advocates utilized Great Oaks’s Results of Operations Model. Cal Advocates’ adjustments reflect the recommendations presented in its testimonies.

**GREAT OAKS WATER COMPANY A.24-07-001**

**TABLE 1-1  
SUMMARY OF EARNINGS - TEST YEAR**

Test Year 2025/2026 (\$)		Cal Advocates Present Rates	GOWC Present Rates	GOWC > Cal Advocates	
1	<b>Revenue:</b>				
2	Water Service Revenue	27,860,811.2	26,624,324.5	(1,236,486.7)	-4.4%
3	Fire Protection Revenue	205,658.2	205,658.2	0.0	0.0%
4	Other Revenue	0.0	0.0	0.0	0.0%
5	<b>Total Revenue</b>	<b>28,066,469.4</b>	<b>26,829,982.7</b>	<b>(1,236,486.7)</b>	<b>-4.4%</b>
6	<b>Operating Expenses:</b>				
7	Operation & Maintenance (including uncollectibles)	13,099,425.3	18,502,666.3	5,403,241.0	41.2%
8	Administrative & General	5,484,808.1	5,935,533.3	450,725.3	8.2%
9	Depreciation Expense	1,414,798.6	1,415,849.2	1,050.6	0.1%
10	Taxes Other Than Income (Ad Val., Bus.Lic, Fran., Payroll taxes)	508,017.7	529,406.3	21,388.6	4.2%
11	California Corporate Franchise Tax	612,928.2	(18,076.1)	(631,004.3)	-102.9%
12	Federal Income Tax	1,497,315.4	31,234.4	(1,466,081.0)	-97.9%
13	Deferred Tax Expense	0.0	(21,662.3)	(21,662.3)	0.0%
14	RESERVED	0.0	0.0	0.0	0.0%
15	<b>Total Operating Expenses</b>	<b>22,617,293.3</b>	<b>26,374,951.2</b>	<b>3,757,658.0</b>	<b>16.6%</b>
16	<b>Net Operating Revenues</b>	<b>5,449,176.1</b>	<b>455,031.5</b>	<b>(4,994,144.6)</b>	<b>-91.6%</b>
17	Weighted Average Rate Base	17,977,619.8	18,960,021.2	982,401.5	5.5%
18	<b>Return on Rate Base at Present Rates</b>	<b>30.31%</b>	<b>2.40%</b>	<b>-27.91%</b>	<b>-92.1%</b>
Test Year 2025/2026 (\$)		Cal Advocates Proposed Rates	GOWC Proposed Rates	GOWC > Cal Advocates	
1	<b>Revenue:</b>				
2	Water Service Revenue	22,127,861.7	28,178,138.5	6,050,276.9	27.3%
3	Fire Protection Revenue	227,679.2	218,251.2	(9,428.0)	-4.1%
4	Other Revenue	0.0	0.0	0.0	0.0%
5	<b>Total Revenue</b>	<b>22,355,540.9</b>	<b>28,396,389.8</b>	<b>6,040,848.9</b>	<b>27.0%</b>
6	<b>Operating Expenses:</b>				
7	Operation & Maintenance (excluding uncollectibles)	13,010,651.4	18,417,803.4	5,407,152.0	41.6%
8	Uncollectibles	70,710.3	89,817.4	19,107.1	27.0%
9	Administrative & General	5,463,074.6	5,974,208.4	511,133.8	9.4%
10	Depreciation Expense	1,414,798.6	1,415,849.2	1,050.6	0.1%
11	Taxes Other Than Income (Ad Val., Bus.Lic, Fran., Payroll taxes)	508,017.7	529,406.3	21,388.6	4.2%
12	California Corporate Franchise Tax	113,121.2	118,571.6	5,450.4	4.8%
13	Federal Income Tax	309,991.1	327,154.0	17,162.9	5.5%
14	Deferred Tax Expense	0.0	(21,662.3)	(21,662.3)	0.0%
15	RESERVED	0.0	0.0	0.0	0.0%
16	<b>Total Operating Expenses</b>	<b>20,890,364.9</b>	<b>26,851,148.1</b>	<b>5,960,783.2</b>	<b>28.5%</b>
17	<b>Net Operating Revenues</b>	<b>1,465,176.0</b>	<b>1,545,241.7</b>	<b>80,065.7</b>	<b>5.5%</b>
18	Weighted Average Rate Base	17,977,619.8	18,960,021.2	982,401.5	5.5%
19	<b>Return on Rate Base at Proposed Rates</b>	<b>8.15%</b>	<b>8.15%</b>	<b>0.00%</b>	<b>0.0%</b>
14	<b>Increase in Operating Revenues (1b - 1a)</b>	<b>(5,710,928.5)</b>	<b>1,566,407.1</b>		
		<b>-20.35%</b>	<b>5.84%</b>		



GREAT OAKS WATER COMPANY A.24-07-001

TABLE 1-1x  
SUMMARY OF EARNINGS - ESCALATION YEAR >>> NOT RECOMMENDED ATTRITION YR SOE

Escalation Year 2026/2027 (\$)		Cal Advocates Present Rates	GOWC Present Rates	GOWC > Cal Advocates	
1	<b>Revenue:</b>				
2	Water Service Revenue	22,138,327.7	28,219,634.2	6,081,306.5	27.5%
3	Fire Protection Revenue	228,030.6	218,251.2	(9,779.4)	-4.3%
4	Other Revenue	0.0	0.0	0.0	0.0%
5	<b>Total Revenue</b>	<b>22,366,358.3</b>	<b>28,437,885.5</b>	<b>6,071,527.1</b>	<b>27.1%</b>
6	<b>Operating Expenses:</b>				
7	Operation & Maintenance (including uncollectibles)	14,562,305.4	20,371,387.1	5,809,081.7	39.9%
8	Administrative & General	5,552,783.3	6,018,419.3	465,635.9	8.4%
9	Depreciation Expense	1,461,974.4	1,464,899.7	2,925.3	0.2%
10	Taxes Other Than Income (Ad Val, Payroll taxes)	537,546.4	560,236.3	22,689.9	4.2%
11	California Corporate Franchise Tax	(31,532.4)	(58,842.1)	(27,309.7)	86.6%
12	Federal Income Tax	(131,555.8)	(55,202.3)	76,353.6	-58.0%
13	Deferred Tax Expense	0.0	(15,840.0)	(15,840.0)	0.0%
14	RESERVED	0.0	0.0	0.0	0.0%
15	<b>Total Operating Expenses</b>	<b>21,951,521.2</b>	<b>28,285,058.0</b>	<b>6,333,536.8</b>	<b>28.9%</b>
16	<b>Net Operating Revenues</b>	<b>414,837.1</b>	<b>152,827.5</b>	<b>(262,009.6)</b>	<b>-63.2%</b>
17	Weighted Average Rate Base	17,621,837.9	17,719,473.2	97,635.3	0.6%
18	<b>Return on Rate Base at Present Rates</b>	<b>2.35%</b>	<b>0.86%</b>	<b>-1.49%</b>	<b>-63.4%</b>
Escalation Year 2026/2027 (\$)		Cal Advocates Proposed Rates	GOWC Proposed Rates	GOWC > Cal Advocates	
1	<b>Revenue:</b>				
2	Water Service Revenue	23,840,432.0	30,324,795.1	6,484,363.1	27.2%
3	Fire Protection Revenue	232,914.7	224,057.1	(8,857.6)	-3.8%
4	Other Revenue	0.0	0.0	0.0	0.0%
5	<b>Total Revenue</b>	<b>24,073,346.8</b>	<b>30,548,852.2</b>	<b>6,475,505.4</b>	<b>26.9%</b>
6	<b>Operating Expenses:</b>				
7	Operation & Maintenance (excluding uncollectibles)	14,491,560.9	20,281,438.4	5,789,877.5	40.0%
8	Uncollectibles	76,143.7	96,625.6	20,481.9	26.9%
9	Administrative & General	5,546,872.0	6,077,262.9	530,391.0	9.6%
10	Depreciation Expense	1,461,974.4	1,464,899.7	2,925.3	0.2%
11	Taxes Other Than Income (Ad Val, Payroll taxes)	537,546.4	560,236.3	22,689.9	4.2%
12	California Corporate Franchise Tax	117,849.7	125,311.0	7,461.3	6.3%
13	Federal Income Tax	327,277.7	343,593.4	16,315.7	5.0%
14	Deferred Tax Expense	0.0	(15,840.0)	(15,840.0)	0.0%
15	RESERVED	0.0	0.0	0.0	0.0%
16	<b>Total Operating Expenses</b>	<b>22,559,224.7</b>	<b>28,933,527.4</b>	<b>6,374,302.7</b>	<b>28.3%</b>
17	<b>Net Operating Revenues</b>	<b>1,514,122.0</b>	<b>1,615,324.8</b>	<b>101,202.8</b>	<b>6.7%</b>
18	Weighted Average Rate Base	18,578,184.5	19,819,936.1	1,241,751.6	6.7%
19	<b>Return on Rate Base at Proposed Rates</b>	<b>8.15%</b>	<b>8.15%</b>	<b>0.00%</b>	<b>0.0%</b>

**GREAT OAKS WATER COMPANY A.24-07-001**

**TABLE 2-1  
AVERAGE WATER SALES PER CUSTOMER (OR PER CONNECTION)**

Test Year 2025/2026 (CCF/connection/year)*		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	<b>Average Water Sales:</b>				
2	Single-Family Residence	111.2	103.2	(8.0)	-7.2%
3	Multi-Family Residence	1,389.3	1,358.2	(31.1)	-2.2%
4	Business	1,106.9	1,101.2	(5.7)	-0.5%
5	Industrial	1,618.2	1,576.0	(42.2)	-2.6%
6	Public Authority	1,031.0	988.8	(42.2)	-4.1%
7	Schools	3,698.7	3,396.6	(302.1)	-8.2%
8	Private Landscape	1,141.5	980.4	(161.1)	-14.1%
9	Agriculture	0.0	0.0	0.0	0.0%
14a	FIRE SERVICES				
15a	Up-size to Residential with Fire Service				
16a	Private Fire Services				
17a	TOTAL FIRE SERVICES				
18a	MISCELLANEOUS:				
Escalation Year 2026/2027 (CCF/connection/year)*		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	<b>Average Water Sales:</b>				
2	Single-Family Residence	111.2	103.2	(8.0)	-7.2%
3	Multi-Family Residence	1,389.3	1,358.2	(31.1)	-2.2%
4	Business	1,106.9	1,101.2	(5.7)	-0.5%
5	Industrial	1,618.2	1,576.0	(42.2)	-2.6%
6	Public Authority	1,031.0	988.8	(42.2)	-4.1%
7	Schools	3,698.7	3,396.6	(302.1)	-8.2%
8	Private Landscape	1,141.5	980.4	(161.1)	-14.1%
9	Agriculture	0.0	0.0	0.0	0.0%
14a	FIRE SERVICES				
15a	Up-size to Residential with Fire Service				
16a	Private Fire Services				
17a	TOTAL FIRE SERVICES				
18a	MISCELLANEOUS:				

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GREAT OAKS WATER COMPANY A.24-07-001

TABLE 2-2  
AVERAGE NUMBER OF CUSTOMERS (SERVICE CONNECTIONS)

Test Year 2025/2026		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	<b>Metered Customers (Service Connections):</b>				
2	Single-Family Residence	20,006	20,001	(5)	0%
3	Multi-Family Residence	651	640	(11)	-2%
4	Business	315	311	(4)	-1%
5	Industrial	53	56	3	6%
6	Public Authority	140	146	6	4%
7	Schools	44	44	0	0%
8	Private Landscape	235	235	0	0%
9	Agriculture	11	10	(1)	-11%
10	<b>Total Metered Customers</b>	<b>21,456</b>	<b>21,443</b>	<b>(13)</b>	<b>0%</b>
11	<b>Fire Services:</b>				
12	EOY # of Services by Meter Size				
13	2-inch	105	105	0	0%
14	4-inch	42	42	0	0%
15	6-inch	110	110	0	0%
16	8-inch	79	79	0	0%
17	10-inch	27	27	0	0%
18	12-inch	3	3	0	0%
19	<b>Total Fire Services</b>	<b>366</b>	<b>366</b>	<b>0</b>	<b>0%</b>
20	<b>Total Number of Connections:</b>				
21	Including Fire Protection	21,822	21,809	(13)	0%
22	Excluding Fire Protection	21,456	21,443	(13)	0%
<b>Escalation Year 2026/2027</b>		<b>Cal Advocates</b>	<b>GOWC</b>	<b>GOWC &gt; Cal Advocates</b>	
1	<b>Metered Customers (Service Connections):</b>				
2	Single-Family Residence	20,015	20,014	(1)	0%
3	Multi-Family Residence	657	641	(16)	-2%
4	Business	319	312	(7)	-2%
5	Industrial	53	57	4	8%
6	Public Authority	139	147	8	6%
7	Schools	44	44	0	0%
8	Private Landscape	235	236	1	0%
9	Agriculture	12	10	(2)	-15%
10	<b>Total Metered Customers</b>	<b>21,473</b>	<b>21,461</b>	<b>(12)</b>	<b>0%</b>
11	<b>Fire Services:</b>				
12	EOY # of Services by Meter Size				
13	2-inch	105	105	0	0%
14	4-inch	42	42	0	0%
15	6-inch	110	110	0	0%
16	8-inch	79	79	0	0%
17	10-inch	27	27	0	0%
18	12-inch	3	3	0	0%
19	<b>Fire Services Subtotal</b>	<b>366</b>	<b>366</b>	<b>0</b>	<b>0%</b>
20	<b>Total Number of Connections:</b>				
21	Including Fire Protection	21,839	21,827	(12)	0%
22	Excluding Fire Protection	A-173 21,473	21,461	(12)	0%

GREAT OAKS WATER COMPANY A.24-07-001

TABLE 2-3  
TOTAL SALES AND SUPPLY

Test Year 2025/2026 (CCF)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	<b>Water Sales</b>				
2	<b>Potable Water Sales</b>				
3	Single-Family Residence	2,224,712	2,063,503	(161,209)	-7%
4	Multi-Family Residence	904,712	869,261	(35,451)	-4%
5	Business	349,116	342,483	(6,634)	-2%
6	Industrial	85,765	88,255	2,490	3%
7	Public Authority	144,340	144,360	20	0%
8	Schools	162,743	149,449	(13,294)	-8%
9	Private Landscape	267,796	230,389	(37,407)	-14%
10	<b>Total Potable Water Sales</b>	<b>4,139,183</b>	<b>3,887,700</b>	<b>(251,483)</b>	<b>-6%</b>
11	Agriculture	0	0	0	0%
12	<b>Total Water Sales</b>	<b>4,139,183.4</b>	<b>3,887,700.2</b>	<b>(251,483)</b>	<b>-6.1%</b>
13	<u>Total Water Sales</u>	4,139,183.4	3,887,700.2	(251,483)	-6.1%
14	<i>Unaccounted for Water % (water loss)</i>	7.000%	7.000%	0	0.0%
15	Water Loss	311,551.4	292,622.6	(18,929)	-6.1%
16	<b>Total Requirement (Sales + Water Loss) *</b>	<b>4,450,734.8</b>	<b>4,180,322.8</b>	<b>(270,412)</b>	<b>-6.1%</b>
	Total Requirement in Acre Feet				
17	<b>WATER SUPPLY MIX:</b>				
18	Well Water	4,391,318.7	4,192,199.1	(199,120)	-4.5%
19	Purchased Water	0.0	0.0	0	0.0%
20	Surface Supply	0.0	0.0	0	0.0%
21	<b>Total Supply *</b>	<b>4,391,318.7</b>	<b>4,192,199.1</b>	<b>(199,120)</b>	<b>-4.5%</b>
22	<i>Variance between Total Requirement and Supply</i>	<i>(59,416.1)</i>	<i>11,876.3</i>		
	<i>* Total Requirement and Total Supply may differ slightly due to rounding.</i>				
Escalation Year 2026/2027 (CCF)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	<b>Water Sales</b>				
2	<b>Potable Water Sales</b>				
3	Single-Family Residence	2,225,624	2,064,844	(160,779)	-7%
4	Multi-Family Residence	912,492	870,619	(41,873)	-5%
5	Business	352,658	343,584	(9,075)	-3%
6	Industrial	85,765	89,831	4,066	5%
7	Public Authority	143,309	145,349	2,040	1%
8	Schools	162,743	149,449	(13,294)	-8%
9	Private Landscape	268,709	231,370	(37,339)	-14%
10	<b>Total Potable Water Sales</b>	<b>4,151,300</b>	<b>3,895,046</b>	<b>(256,254)</b>	<b>-6%</b>
11	Agriculture	0	0	0	0%
12	<b>Total Water Sales</b>	<b>4,151,299.6</b>	<b>3,895,046.0</b>	<b>(256,254)</b>	<b>-6.2%</b>
13	<u>Total Water Sales</u>	4,151,299.6	3,895,046.0	(256,254)	-6.2%
14	<i>Unaccounted for Water % (water loss)</i>	7.000%	7.000%	0	0.0%
15	Water Loss	312,463.4	293,175.5	(19,288)	-6.2%
16	<b>Total Requirement (Sales + Water Loss) *</b>	<b>4,463,763.0</b>	<b>4,188,221.5</b>	<b>(275,542)</b>	<b>-6.2%</b>
	Total Requirement in Acre Feet				
17	<b>WATER SUPPLY MIX:</b>				
18	Well Water	4,404,672.4	4,200,097.8	(204,575)	-4.6%
19	Purchased Water	A-174 0.0	0.0	0	0.0%
20	Surface Supply	0.0	0.0	0	0.0%
21	<b>Total Supply *</b>	<b>4,404,672.4</b>	<b>4,200,097.8</b>	<b>(204,575)</b>	<b>-4.6%</b>
22	<i>Variance between Total Requirement and Supply</i>	<i>(59,090.6)</i>	<i>11,876.3</i>		
23	<i>* Total Requirement and Total Supply may differ slightly due to rounding.</i>				

**GREAT OAKS WATER COMPANY A.24-07-001**

**TABLE 2-4  
OPERATING REVENUES AT PRESENT RATES**

Test Year 2025/2026 (\$)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	<b>METERED SALES REVENUE</b>				
2	Total Service Charge	7,509,373.4	7,509,373.4	0.0	0.0%
3	Usage Charge:				
4	Single-Family Residence	10,938,409.1	10,145,783.0	(792,626.1)	-7.2%
5	Multi-Family Residence	4,448,267.1	4,273,960.7	(174,306.4)	-3.9%
6	Business	1,716,526.5	1,683,909.9	(32,616.6)	-1.9%
7	Industrial	421,685.3	433,929.5	12,244.1	2.9%
8	Public Authority	709,687.5	709,787.9	100.4	0.0%
9	Schools	800,169.9	734,807.7	(65,362.2)	-8.2%
10	Private Landscape	1,316,692.5	1,132,772.6	(183,919.9)	-14.0%
11	Agriculture	0.0	0.0	0.0	0.0%
12	Total Usage Charge Revenue	20,351,437.8	19,114,951.1	(1,236,486.7)	-6.1%
14	<b>METERED SALES REVENUE SUBTOTAL</b>	<b>27,860,811.2</b>	<b>26,624,324.5</b>	<b>(1,236,486.7)</b>	<b>-4.4%</b>
15	<b>TOTAL PRIVATE FIRE SERVICE REVENUE</b>	<b>205,658.2</b>	<b>205,658.2</b>	<b>0.0</b>	<b>0.0%</b>
16	<b>TOTAL SALES REVENUE</b>	<b>28,066,469.4</b>	<b>26,829,982.7</b>	<b>(1,236,486.7)</b>	<b>-4.4%</b>
17	CPUC SURCHARGE	196,465.3	187,809.9	(8,655.4)	-4.4%
18	<b>Total Revenues at Present Rates, Test Year 2025/2026</b>	<b>28,066,469.4</b>	<b>26,829,982.7</b>	<b>(1,236,486.7)</b>	<b>-4.4%</b>
Escalation Year 2026/2027 (\$)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	<b>METERED SALES REVENUE</b>				
2	Total Service Charge	8,963,457.5	9,589,340.0	625,882.5	7.0%
3	Usage Charge:				
4	Single-Family Residence	7,063,402.8	9,876,304.1	2,812,901.3	39.8%
5	Multi-Family Residence	2,895,952.6	4,164,235.5	1,268,282.9	43.8%
6	Business	1,119,222.5	1,643,386.7	524,164.2	46.8%
7	Industrial	272,188.9	429,667.7	157,478.8	57.9%
8	Public Authority	454,816.0	695,216.0	240,400.0	52.9%
9	Schools	516,492.5	714,826.1	198,333.5	38.4%
10	Private Landscape	852,795.0	1,106,658.4	253,863.4	29.8%
11	Agriculture	0.0	0.0	0.0	0.0%
12	Total Usage Charge Revenue	13,174,870.2	18,630,294.3	5,455,424.0	41.4%
14	<b>METERED SALES REVENUE SUBTOTAL</b>	<b>22,138,327.7</b>	<b>28,219,634.2</b>	<b>6,081,306.5</b>	<b>27.5%</b>
15	<b>TOTAL PRIVATE FIRE SERVICE REVENUE</b>	<b>228,030.6</b>	<b>218,251.2</b>	<b>(9,779.4)</b>	<b>-4.3%</b>
16	<b>TOTAL SALES REVENUE</b>	<b>22,366,358.3</b>	<b>28,437,885.5</b>		
17	CPUC SURCHARGE	319,838.9	406,661.8	86,822.8	27.1%
18	<b>Total Revenues at Present Rates, Escal. Year 2026/2027</b>	<b>22,366,358.3</b>	<b>28,437,885.5</b>	<b>6,071,527.1</b>	<b>27.1%</b>

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GREAT OAKS WATER COMPANY A.24-07-001

TABLE 3-1  
OPERATIONS & MAINTENANCE EXPENSES - TEST YEAR

Test Year 2025/2026 (\$)	Cal Advocates	GOWC	GOWC > Cal Advocates	
1 <b>Operations Expenses:</b>				
2 Supply Expense:				
3 Groundwater Charges, Acct. 700	11,346,369.7	16,788,356.5	5,441,986.7	48.0%
4 Op. Labor & Expense (Excluding Labor), Acct. 702	16,523.9	16,523.9	0.0	0.0%
5 Misc. Pump Exp., Acct. 725	8,262.5	8,262.5	0.0	0.0%
6 Purchased Power, Acct. 726	1,306,094.0	1,271,259.3	(34,834.7)	-2.7%
7 RESERVED	0.0	0.0	0.0	0.0%
8 RESERVED	0.0	0.0	0.0	0.0%
9 Total Supply Expenses	12,677,250.1	18,084,402.1	5,407,152.0	42.7%
10 Water Treatment:				
11 Chemicals & Filtering, Acct. 744	14,489.3	14,489.3	0.0	0.0%
12 RESERVED	0.0	0.0	0.0	0.0%
13 <b>Total Operations Expenses</b>	<b>12,691,739.4</b>	<b>18,098,891.4</b>	<b>5,407,152.0</b>	<b>42.6%</b>
14 <b>Maintenance Expenses:</b>				
15 Maintenance Of Pumping Equipment, Accts. 711, 732	32,690.9	32,690.9	0.0	0.0%
16 Meter Expense, Acct. 754	0.0	0.0	0.0	0.0%
17 T&D Misc Expense, Acct. 756	8,262.5	8,262.5	0.0	0.0%
18 Reservoirs & Tanks, Acct 760	0	0	0.0	0.0%
18 Maintenance of T&D Mains, Acct. 761	158,785.3	158,785.3	0.0	0.0%
19 Maintenance of Services, Acct 763	38,353.7	38,353.7	0.0	0.0%
20 Maintenance of Meters, Acct 764	0.0	0.0	0.0	0.0%
21 Maintenance of Hydrants, Acct 765	6,012.5	6,012.5	0.0	0.0%
22 Maintenance of General Plant, Acct 805	74,807.1	74,807.1	0.0	0.0%
23 <b>Total Maintenance Expenses</b>	<b>318,912.0</b>	<b>318,912.0</b>	<b>0.0</b>	<b>0.0%</b>
24 <b>Total O&amp;M excluding Uncollectibles</b>	<b>13,010,651.4</b>	<b>18,417,803.4</b>	<b>5,407,152.0</b>	<b>41.6%</b>
25 <b>At Present Rates</b>				
26 Total Revenues (including deferred Revenue on CIAC)	28,066,469.4	26,829,982.7	(1,236,486.7)	-4.4%
27 CPUC Surcharge	196,465.3	187,809.9	(8,655.4)	-4.4%
28 <i>Uncollectible Rate</i>	<i>0.3141%</i>	<i>0.3141%</i>	<i>0.0000%</i>	<i>0.0%</i>
29 Uncollectibles Expense	88,773.9	84,862.9	(3,911.0)	-4.4%
30 <b>Total O&amp;M Expenses including Uncollectibles</b>	<b>13,099,425.3</b>	<b>18,502,666.3</b>	<b>5,403,241.0</b>	<b>41.2%</b>
31 <b>At Proposed Rates</b>				
32 Total Revenues (including deferred Revenue on CIAC)	22,355,540.9	28,396,389.8	6,040,848.9	27.0%
33 CPUC Surcharge	156,488.8	198,774.7	42,285.9	27.0%
34 <i>Uncollectible Rate</i>	<i>0.3141%</i>	<i>0.3141%</i>	<i>0.0000%</i>	<i>0.0%</i>
35 Uncollectibles Expense	70,710.3	89,817.4	19,107.1	27.0%
36 <b>Total O&amp;M Expenses including Uncollectibles</b>	<b>13,081,361.7</b>	<b>18,507,620.8</b>	<b>5,426,259.1</b>	<b>41.5%</b>

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GREAT OAKS WATER COMPANY A.24-07-001

TABLE 3-2  
OPERATIONS & MAINTENANCE EXPENSES - ESCALATION YEAR

Escalation Year 2026/2027 (\$)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	<u>Operations Expenses:</u>				
2	Supply Expense:				
3	Groundwater Charges, Acct. 700	12,814,890.0	18,641,178.8	5,826,288.8	45.5%
4	Op. Labor & Expense (Excluding Labor), Acct. 702	16,912.2	16,912.2	0.0	0.0%
5	Misc. Pump Exp., Acct. 725	8,456.6	8,456.6	0.0	0.0%
6	Purchased Power, Acct. 726	1,310,065.8	1,273,654.5	(36,411.3)	-2.8%
7	RESERVED	0.0	0.0	0.0	0.0%
8	RESERVED	0.0	0.0	0.0	0.0%
9	<b>Total Supply Expenses</b>	<b>14,150,324.6</b>	<b>19,940,202.1</b>	<b>5,789,877.5</b>	<b>40.9%</b>
10	Water Treatment:				
11	Chemicals & Filtering, Acct. 744	14,829.8	14,829.8	0.0	0.0%
12	RESERVED	0.0	0.0	0.0	0.0%
13	<b>Total Operations Expenses</b>	<b>14,165,154.4</b>	<b>19,955,031.9</b>	<b>5,789,877.5</b>	<b>40.9%</b>
14	<u>Maintenance Expenses (Labor and Purchased Services-M&amp;S):</u>				
15	Maintenance Of Pumping Equipment, Accts. 711, 732	33,459.1	33,459.1	0.0	0.0%
16	Meter Expense, Acct. 754	0.0	0.0	0.0	0.0%
17	T&D Misc Expense, Acct. 756	8,456.6	8,456.6	0.0	0.0%
18	Reservoirs & Tanks, Acct 760	-	-	0.0	0.0%
19	Maintenance of T&D Mains, Acct. 761	162,516.8	162,516.8	0.0	0.0%
20	Maintenance of Services, Acct 763	39,255.0	39,255.0	0.0	0.0%
21	Maintenance of Meters, Acct 764	0	0	0.0	0.0%
22	Maintenance of Hydrants, Acct 765	6,153.8	6,153.8	0.0	0.0%
23	Maintenance of General Plant, Acct 805	76,565.1	76,565.1	0.0	0.0%
24	<b>Total Maintenance Expenses</b>	<b>326,406.5</b>	<b>326,406.5</b>	<b>0.0</b>	<b>0.0%</b>
25	<b>Total O&amp;M excluding Uncollectibles</b>	<b>14,491,560.9</b>	<b>20,281,438.4</b>	<b>5,789,877.5</b>	<b>40.0%</b>
26	<u>At Present Rates</u>				
27	Total Revenues (including deferred Revenue on CIAC)	22,366,358.3	28,437,885.5	6,071,527.1	27.1%
28	CPUC Surcharge	156,564.5	199,065.2	42,500.7	27.1%
29	Uncollectible Rate	0.3141%	0.3141%	0.0000%	0.0%
30	Uncollectibles Expense	70,744.5	89,948.7	19,204.2	27.1%
31	<b>Total O&amp;M Expenses including Uncollectibles (at present rates)</b>	<b>14,562,305.4</b>	<b>20,371,387.1</b>	<b>5,809,081.7</b>	<b>39.9%</b>
32	<u>At Proposed Rates</u>				
33	Total Revenues (including deferred Revenue on CIAC)	24,073,346.8	30,548,852.2	6,475,505.4	26.9%
34	CPUC Surcharge	168,513.4	213,842.0	45,328.5	26.9%
35	Uncollectible Rate	0.3141%	0.3141%	0.0000%	0.0%
36	Uncollectibles Expense	76,143.7	96,625.6	20,481.9	26.9%
37	<b>Total O&amp;M Expenses including Uncollectibles (at proposed rates)</b>	<b>14,567,704.6</b>	<b>20,378,064.0</b>	<b>5,810,359.5</b>	<b>39.9%</b>

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**GREAT OAKS WATER COMPANY A.24-07-001**

**TABLE 4-1  
ADMINISTRATIVE & GENERAL EXPENSES**

<b>Test Year 2025/2026 (\$)</b>		<b>Cal Advocates</b>	<b>GOWC</b>	<b>GOWC &gt; Cal Advocates</b>	
1	<u>Administrative &amp; General Expenses:</u>				
2	Salaries	2,612,958.1	3,035,228.3	422,270.2	16.2%
3	Meter Reading Expense, Acct 772	18,158.5	18,158.5	0.0	0.0%
4	Customer Records & Collection, Acct 773	276,590.4	252,067.9	(24,522.5)	-8.9%
5	Office Supplies & Other Expense, Acct 792	51,991.8	51,991.8	0.0	0.0%
6	Property Insurance, Acct. 793	158,893.2	158,893.2	0.0	0.0%
7	Injuries & Damages, Acct 794	49,285.5	49,285.5	0.0	0.0%
8	Employee Pensions & Benefits, Acct 795	1,044,567.7	1,044,984.2	416.6	0.0%
9	Franchise Requirements, Acct 796	223,555.4	283,963.9	60,408.5	27.0%
10	Regulatory Commission Expenses, Acct 797	201,758.8	201,758.8	0.0	0.0%
11	Outside Services, Including GRC Expense, Acct 798, 800	453,778.0	458,739.0	4,961.0	1.1%
12	Miscellaneous General Expense Including CWA Dues, Acct 799	194,060.5	194,060.5	0.0	0.0%
13	Rents, Acct 811	281,076.7	281,076.7	0.0	0.0%
14	Transportation Expense, Acct 903	0.0	0.0	0.0	0.0%
15	Passive Income 50% Ratepayer Credit	(103,600.0)	(56,000.0)	47,600.0	-45.9%
16	<b>Total Administrative and General Expenses</b>	<b>5,463,074.6</b>	<b>5,974,208.4</b>	<b>511,133.8</b>	<b>9.4%</b>
<b>Escalation Year 2026/2027 (\$)</b>		<b>Cal Advocates</b>	<b>GOWC</b>	<b>GOWC &gt; Cal Advocates</b>	
1	<u>Administrative &amp; General Expenses:</u>				
2	Salaries	2,674,362.6	3,106,644.5	432,281.9	16.2%
3	Meter Reading Expense, Acct 772	18,585.3	18,585.3	0.0	0.0%
4	Customer Records & Collection, Acct 773	283,090.3	257,991.5	(25,098.8)	-8.9%
5	Office Supplies & Other Expense, Acct 792	53,213.6	53,213.6	0.0	0.0%
6	Property Insurance, Acct. 793	183,711.0	183,711.0	0.0	0.0%
7	Injuries & Damages, Acct 794	50,443.7	50,443.7	0.0	0.0%
8	Employee Pensions & Benefits, Acct 795	1,043,794.1	1,044,210.4	416.3	0.0%
9	Franchise Requirements, Acct 796	240,733.5	305,488.5	64,755.1	26.9%
10	Regulatory Commission Expenses, Acct 797	155,325.1	155,325.1	0.0	0.0%
11	Outside Services, Including GRC Expense, Acct 798, 800	459,082.9	469,519.4	10,436.5	2.3%
12	Miscellaneous General Expense Including CWA Dues, Acct 799	198,620.9	198,620.9	0.0	0.0%
13	Rents, Acct 811	289,509.0	289,509.0	0.0	0.0%
14	Transportation Expense, Acct 903	0.0	0.0	0.0	0.0%
15	Passive Income 50% Ratepayer Credit	(103,600.0)	(56,000.0)	47,600.0	-45.9%
16	<b>Total A&amp;G and Miscellaneous Adjustments</b>	<b>5,546,872.0</b>	<b>6,077,262.9</b>	<b>530,391.0</b>	<b>9.6%</b>

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**GREAT OAKS WATER COMPANY A.24-07-001**

**TABLE 5-1  
TAXES OTHER THAN INCOME**

Test Year 2025/2026 (\$)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	CITY & COUNTY TAXES				
2	Ad Valorem (Property Tax)	307,383.3	308,482.5	1,099.1	0.4%
3	RESERVED (Business Licence)	0.0	0.0	0.0	0.0%
4	Payroll Taxes (SUI, FUI, FICA)	200,634.3	220,923.8	20,289.5	10.1%
5	Sub Total	508,017.7	529,406.3	21,388.6	4.2%
6	<b>At Present Rates</b>				
7	Operating Revenue <i>EXCLUDING</i> Uncollectibles *	28,066,469.4	26,829,982.7	(1,236,486.7)	-4.4%
8	Effective Local Franchise Tax Rate	1.130%	1.130%	0.000%	0.0%
9	Franchise Taxes on applicable op. revenues	317,263.4	303,286.1	(13,977.2)	-4.4%
10	<b>Total Taxes Other Than Income, At Present Rates</b>	<b>825,281.0</b>	<b>832,692.4</b>	<b>7,411.4</b>	<b>0.9%</b>
11	<b>At Proposed Rates</b>				
12	Operating Revenue <i>EXCLUDING</i> Uncollectibles *	22,355,540.9	28,396,389.8	6,040,848.9	27.0%
13	Effective Local Franchise Tax Rate	1.130%	1.130%	0.000%	0.0%
14	Franchise Taxes on applicable op. revenues	252,707.0	320,992.8	68,285.8	27.0%
15	<b>Total Taxes Other Than Income, At Proposed Rates</b>	<b>760,724.7</b>	<b>850,399.1</b>	<b>89,674.4</b>	<b>11.8%</b>
Escalation Year 2026/2027 (\$)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	CITY & COUNTY TAXES				
2	Ad Valorem (Property Tax)	332,280.0	334,207.6	1,927.5	0.6%
3	RESERVED (Business Licence)	0.0	0.0	0.0	0.0%
4	Payroll Taxes (SUI, FUI, FICA)	205,266.3	226,028.7	20,762.4	10.1%
5	Sub Total	537,546.4	560,236.3	22,689.9	4.2%
6	<b>At Present Rates</b>				
7	Operating Revenue <i>EXCLUDING</i> Uncollectibles *	22,366,358.3	28,437,885.5	6,071,527.1	27.1%
8	Effective Local Franchise Tax Rate	1.130%	1.130%	0.000%	0.0%
9	Franchise Taxes on applicable op. revenues	252,829.3	321,461.9	68,632.5	27.1%
10	<b>Total Taxes Other Than Income, At Present Rates</b>	<b>790,375.7</b>	<b>881,698.1</b>	<b>91,322.4</b>	<b>11.6%</b>
11	<b>At Proposed Rates</b>				
12	Operating Revenue <i>EXCLUDING</i> Uncollectibles *	24,073,346.8	30,548,852.2	6,475,505.4	26.9%
13	Effective Local Franchise Tax Rate	1.130%	1.130%	0.000%	0.0%
14	Franchise Taxes on applicable op. revenues	272,125.1	345,324.2	73,199.1	26.9%
15	<b>Total Taxes Other Than Income, At Proposed Rates</b>	<b>809,671.5</b>	<b>905,560.5</b>	<b>95,889.0</b>	<b>11.8%</b>

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GREAT OAKS WATER COMPANY A.24-07-001

TABLE 6-1  
TAXES BASED ON INCOME - TEST YEAR AT PRESENT RATES

Test Year 2025/2026 (\$)	Cal Advocates	GOWC	GOWC > Cal Advocates	
1 Operating Revenue at Present Rates	28,066,469.4	26,829,982.7	(1,236,486.7)	-4.4%
2 <u>Common Deductions:</u>				
3 Operating Expenses	18,601,439.4	24,461,210.6	5,859,771.2	31.5%
4 Interest Expense	350,563.6	369,720.4	19,156.8	5.5%
5 Taxes Other Than Income	508,017.7	529,406.3	21,388.6	4.2%
6 50% Meal Disallowance	0.0	0.0	0.0	0.0%
7 Deductions excluding Depreciation	19,460,020.6	25,360,337.3	5,900,316.7	30.3%
8 <u>State Corporation Franchise Tax</u>				
9 Taxable Income before State Tax Depreciation	8,606,448.8	1,469,645.4	(7,136,803.3)	-82.9%
10 <u>Additional Deduction:</u>				
11 Tax Depreciation-State	1,665,140.1	1,666,376.7	(1,236.5)	0.1%
12 Deferred Income Tax Expense	7,731.4	7,749.2	(17.8)	0.2%
13 RESERVED	0.0	0.0	0.0	0.0%
14 Additional Deduction for CCFT Subtotal	1,672,871.6	1,674,125.9	(1,254.3)	0.1%
15 Taxable Income for CCFT	6,933,577.2	(204,480.5)	(7,138,057.7)	-102.9%
16 <i>CCFT Rate</i>	8.84%	8.84%	0.0%	0.0%
17 <b>Total CCFT</b>	<b>612,928.2</b>	<b>(18,076.1)</b>	<b>(631,004.3)</b>	<b>-102.9%</b>
18 <u>Federal Tax Deductions</u>				
19 Taxable Income Before Federal Tax Depreciation and CCFT	8,606,448.8	1,469,645.4	7,136,803.3	-82.9%
20 <u>Additional Deduction:</u>				
21 Tax Depreciation	1,414,798.6	1,415,849.2	(1,050.6)	0.1%
22 Deferred Income Tax Expense	(76,720.6)	(76,863.2)	142.6	0.2%
23 Calif. Corporation Franchise Tax	138,297.2	(18,076.1)	156,373.3	-113.1%
24 IRS Section 199 QPA Deduction	0.0	0.0	0.0	0.0%
25 Additional Deduction for Federal Tax Subtotal	1,476,375.2	1,320,909.9	155,465.3	-10.5%
26 Taxable Income for FIT	7,130,073.5	148,735.5	(6,981,338.1)	-97.9%
27 <i>FIT Rate</i>	21.00%	21.00%	0.0%	0.0%
28 <b>Total FIT</b>	<b>1,497,315.4</b>	<b>31,234.4</b>	<b>(1,466,081.0)</b>	<b>-97.9%</b>
29 <b>Total Income Taxes for Revenues at Present Rates</b>	<b>2,110,243.7</b>	<b>13,158.4</b>	<b>(2,097,085.3)</b>	<b>-99.4%</b>

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GREAT OAKS WATER COMPANY A.24-07-001

TABLE 6-2  
TAXES BASED ON INCOME - TEST YEAR AT PROPOSED RATES

Test Year 2025/2026 (\$)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	Operating Revenue at Proposed Rates	22,355,540.9	28,396,389.8	6,040,848.9	27.0%
2	<u>Common Deductions:</u>				
3	Operating Expenses	18,544,436.3	24,481,829.2	5,937,392.9	32.0%
4	Interest Expense	350,563.6	369,720.4	(19,156.8)	5.5%
5	Taxes Other Than Income	508,017.7	529,406.3	21,388.6	4.2%
6	50% Meal Disallowance	0.0	0.0	0.0	0.0%
7	Deductions excluding Depreciation	19,403,017.5	25,380,955.9	5,977,938.3	30.8%
8	<u>State Corporation Franchise Tax</u>				
9	Taxable Income before State Tax Depreciation	2,952,523.3	3,015,433.9	62,910.6	2.1%
10	<u>Additional Deduction:</u>				
11	Tax Depreciation-State	1,665,140.1	1,666,376.7	(1,236.5)	0.1%
12	Deferred Income Tax Expense	7,731.4	7,749.2	(17.8)	0.2%
13	RESERVED	0.0	0.0	0.0	0.0%
14	Additional Deduction for CCFT Subtotal	1,672,871.6	1,674,125.9	(1,254.3)	0.1%
15	Taxable Income for CCFT	1,279,651.8	1,341,308.0	61,656.2	4.8%
16	CCFT Rate	8.84%	8.84%	0.0%	0.0%
17	<b>Total CCFT</b>	<b>113,121.2</b>	<b>118,571.6</b>	5,450.4	4.8%
18	<u>Federal Tax Deductions</u>				
19	Taxable Income Before Federal Tax Depreciation and CCFT	2,952,523.3	3,015,433.9	(62,910.6)	2.1%
20	<u>Additional Deduction:</u>				
21	Tax Depreciation	1,414,798.6	1,415,849.2	(1,050.6)	0.1%
22	Deferred Income Tax Expense	(76,720.6)	(76,863.2)	142.6	0.2%
23	Calif. Corporation Franchise Tax	138,297.2	118,571.6	19,725.6	-14.3%
24	IRS Section 199 QPA Deduction	0.0	0.0	0.0	0.0%
25	Additional Deduction for Federal Tax Subtotal	1,476,375.2	1,457,557.7	18,817.6	-1.3%
26	Taxable Income for FIT	1,476,148.1	1,557,876.3	81,728.2	5.5%
27	FIT Rate	21.00%	21.00%	0.0%	0.0%
28	<b>Total FIT</b>	<b>309,991.1</b>	<b>327,154.0</b>	81,728.2	0.1
29	<b>Total Income Taxes for Revenues at Proposed Rates</b>	<b>423,112.3</b>	<b>445,725.6</b>	<b>22,613.3</b>	<b>5.3%</b>

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GREAT OAKS WATER COMPANY A.24-07-001

TABLE 6-3  
TAXES BASED ON INCOME - ESCALATION YEAR AT PRESENT RATES

Escalation Year 2026/2027 (\$)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	Operating Revenues at Present Rates	22,366,358.3	28,437,885.5	6,071,527.1	27.1%
2	<u>Common Deductions:</u>				
3	Operating Expenses	20,097,431.4	26,427,540.3	6,330,108.9	31.5%
4	Interest Expense	362,274.6	386,488.8	24,214.2	6.7%
5	Taxes Other Than Income	537,546.4	560,236.3	22,689.9	4.2%
6	50% Meal Disallowance	0.0	0.0	0.0	0.0%
7	Deductions excluding Depreciation	20,997,252.4	27,374,265.3	6,377,013.0	30.4%
8	<u>State Corporation Franchise Tax</u>				
9	Taxable Income before Tax Depreciation	1,369,106.0	1,063,620.1	(305,485.8)	-22.3%
10	<u>Additional Deduction:</u>				
11	Tax Depreciation-State	1,720,663.5	1,724,106.4	(3,443.0)	0.2%
12	Deferred Income Tax Expense	5,144.3	5,148.3	(4.0)	0.1%
13	RESERVED	0.0	0.0	0.0	0.0%
14	Additional Deduction for CCFT Subtotal	1,725,807.8	1,729,254.7	(3,446.9)	0.2%
15	Taxable Income for CCFT	(356,701.8)	(665,634.6)	(308,932.8)	86.6%
16	CCFT Rate	8.84%	8.84%	0.0%	0.0%
17	<b>Total CCFT</b>	<b>(31,532.4)</b>	<b>(58,842.1)</b>	<b>(27,309.7)</b>	<b>86.6%</b>
18	<u>Federal Tax Deductions</u>				
19	Taxable Income Before Federal Tax Depreciation and CCFT	1,369,106.0	1,063,620.1	305,485.8	-22.3%
20	<u>Additional Deduction:</u>				
21	Tax Depreciation	1,461,974.4	1,464,899.7	(2,925.3)	0.2%
22	Deferred Income Tax Expense	(79,340.3)	(79,569.6)	229.3	0.3%
23	Calif. Corporation Franchise Tax	612,928.2	(58,842.1)	671,770.3	-109.6%
24	IRS Section 199 QPA Deduction	0.0	0.0	0.0	0.0%
25	Additional Deduction for Federal Tax Subtotal	1,995,562.4	1,326,488.0	669,074.3	-33.5%
26	Taxable Income for FIT	(626,456.4)	(262,867.9)	363,588.5	-58.0%
27	FIT Rate	21.00%	21.00%	0.0%	0.0%
28	<b>Total FIT</b>	<b>(131,555.8)</b>	<b>(55,202.3)</b>	<b>363,588.5</b>	<b>(0.6)</b>
29	<b>Total Income Taxes for Revenues at Present Rates</b>	<b>(163,088.3)</b>	<b>(114,044.4)</b>	<b>49,043.9</b>	<b>-30.1%</b>

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GREAT OAKS WATER COMPANY A.24-07-001

TABLE 6-4  
TAXES BASED ON INCOME - ESCALATION YEAR AT PROPOSED RATES

Escalation Year 2026/2027 (\$)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	Operating Revenues at Proposed Rates	24,073,346.8	30,548,852.2	6,475,505.4	26.9%
2	<u>Common Deductions:</u>				
3	Operating Expenses	20,114,576.5	26,455,327.0	6,340,750.5	31.5%
4	Interest Expense	362,274.6	386,488.8	(24,214.2)	6.7%
5	Taxes Other Than Income	537,546.4	560,236.3	22,689.9	4.2%
6	50% Meal Disallowance	0.0	0.0	0.0	0.0%
7	Deductions excluding Depreciation	21,014,397.5	27,402,052.0	6,387,654.5	30.4%
8	<u>State Corporation Franchise Tax</u>				
9	Taxable Income before Tax Depreciation	3,058,949.3	3,146,800.2	87,850.9	2.9%
10	<u>Additional Deduction:</u>				
11	Tax Depreciation-State	1,720,663.5	1,724,106.4	(3,443.0)	0.2%
12	Deferred Income Tax Expense	5,144.3	5,148.3	(4.0)	0.1%
13	RESERVED	0.0	0.0	0.0	0.0%
14	Additional Deduction for CCFT Subtotal	1,725,807.8	1,729,254.7	3,446.9	0.2%
15	Taxable Income for CCFT	1,333,141.5	1,417,545.5	84,404.0	6.3%
16	CCFT Rate	8.84%	8.84%	0.0%	0.0%
17	<b>Total CCFT</b>	<b>117,849.7</b>	<b>125,311.0</b>	<b>7,461.3</b>	<b>6.3%</b>
18	<u>Federal Tax Deductions</u>				
19	Taxable Income Before Federal Tax Depreciation and CCFT	3,058,949.3	3,146,800.2	(87,850.9)	2.9%
20	<u>Additional Deduction:</u>				
21	Tax Depreciation	1,461,974.4	1,464,899.7	(2,925.3)	0.2%
22	Deferred Income Tax Expense	(79,340.3)	(79,569.6)	229.3	0.3%
23	Calif. Corporation Franchise Tax	117,849.7	125,311.0	(7,461.3)	6.3%
24	IRS Section 199 QPA Deduction	0.0	0.0	0.0	0.0%
25	Additional Deduction for Federal Tax Subtotal	1,500,483.8	1,510,641.2	(10,157.3)	0.7%
26	Taxable Income for FIT	1,558,465.4	1,636,159.0	77,693.6	5.0%
27	FIT Rate	21.00%	21.00%	0.0%	0.0%
28	<b>Total FIT</b>	<b>327,277.7</b>	<b>343,593.4</b>	<b>77,693.6</b>	<b>0.0</b>
29	<b>Total Income Taxes for Revenues at Proposed Rates</b>	<b>445,127.5</b>	<b>468,904.4</b>	<b>23,777.0</b>	<b>5.3%</b>

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**GREAT OAKS WATER COMPANY A.24-07-001**

**TABLE 7-1  
UTILITY PLANT IN SERVICE**

<b>Test Year 2025/2026 (\$)</b>		<b>Cal Advocates</b>	<b>GOWC</b>	<b>GOWC &gt; Cal Advocates</b>	
1	Plant in Service - Beginning of Year	56,741,948.8	56,741,948.8	0.0	0.0%
2	<u>Gross Additions:</u>				
3	Intangible Plant	0.0	0.0	0.0	0.0%
4	Land and Land Rights	0.0	0.0	0.0	0.0%
5	Source of Supply Plant	0.0	0.0	0.0	0.0%
6	Pumping Plant	172,133.1	172,133.1	0.0	0.0%
7	Water Treatment Plant	5,000.0	5,000.0	0.0	0.0%
8	Transmission & Distribution Plant	1,023,301.6	1,047,301.6	24,000.0	2.3%
9	General Plant	269,931.3	269,931.3	0.0	0.0%
10	Capitalized Direct Labor	70,292.7	80,149.8	9,857.1	14.0%
11	Capitalized Allocated Payroll (10.6%)	318,148.3	369,384.9	51,236.6	16.1%
12	Capitalized Allocated Fringe Benefits	144,945.1	144,528.6	(416.6)	-0.3%
13	Total Gross Additions	2,003,752.2	2,088,429.3	84,677.1	4.2%
14	Retirements	(24,732.3)	(24,732.3)	0.0	0.0%
15	Net Additions	2,028,484.5	2,113,161.5	84,677.1	4.2%
16	Net Additions including Adv for Constr (Using Construction Budget)	2,028,484.5	2,113,161.5	84,677.1	4.2%
17	Plant in Service - End of Year	58,770,433.3	58,855,110.4	84,677.1	0.1%
18	Plant Weighting Factor	50.00%	50.00%	0.0%	0.0%
19	<b>Weighted Average Plant in Service</b>	<b>57,756,191.1</b>	<b>57,798,529.6</b>	<b>42,338.5</b>	<b>0.1%</b>
20	<b>Wtd Avg Plant in Service including Advances for Construction</b>	<b>57,756,191.1</b>	<b>57,798,529.6</b>	<b>42,338.5</b>	<b>0.1%</b>
<b>Escalation Year 2026/2027 (\$)</b>		<b>Cal Advocates</b>	<b>GOWC</b>	<b>GOWC &gt; Cal Advocates</b>	
1	Plant in Service - Beginning of Year	58,770,433.3	58,855,110.4	84,677.1	0.1%
2	<u>Gross Additions:</u>				
3	Intangible Plant	0.0	0.0	0.0	0.0%
4	Land and Land Rights	0.0	0.0	0.0	0.0%
5	Source of Supply Plant	0.0	0.0	0.0	0.0%
6	Pumping Plant	176,178.3	176,178.3	0.0	0.0%
7	Water Treatment Plant	5,117.5	5,117.5	0.0	0.0%
8	Transmission & Distribution Plant	492,279.6	492,279.6	0.0	0.0%
9	General Plant	228,170.1	228,170.1	0.0	0.0%
10	Capitalized Direct Labor	71,944.6	82,038.5	10,093.9	14.0%
11	Capitalized Allocated Payroll (10.6%)	325,624.8	378,076.5	52,451.7	16.1%
12	Capitalized Allocated Fringe Benefits	145,137.7	144,721.4	(416.3)	-0.3%
13	Total Gross Additions	1,444,452.6	1,506,582.0	62,129.3	4.3%
14	Retirements	0.0	0.0	0.0	0.0%
15	Net Additions	1,444,452.6	1,506,582.0	62,129.3	4.3%
16	Net Additions including Adv for Constr (Using Construction Budget)	1,444,452.6	1,506,582.0	62,129.3	4.3%
17	Plant in Service - End of Year	60,214,886.0	60,361,692.4	146,806.4	0.2%
18	Plant Weighting Factor	50.00%	50.00%	0.0%	0.0%
19	<b>Weighted Average Plant in Service</b>	<b>59,492,659.6</b>	<b>59,608,401.4</b>	<b>115,741.7</b>	<b>0.2%</b>
20	<b>Wtd Avg Plant in Service including Advances for Construction</b>	<b>59,492,659.6</b>	<b>59,608,401.4</b>	<b>115,741.7</b>	<b>0.2%</b>

GREAT OAKS WATER COMPANY A.24-07-001

TABLE 8-1  
DEPRECIATION RESERVE & EXPENSE

Test Year 2025/2026 (\$)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	Depreciation Reserve - Beginning of Year	33,600,156.7	33,600,156.7	0.0	0.0%
2	<b>Annual Accruals:</b>				
3	Total Depreciation Expense Credited	1,586,238.5	1,587,289.2	1,050.6	0.1%
4	Salvage	4,980.0	4,980.0	0.0	0.0%
5	Total Annual Accruals	1,591,218.5	1,592,269.2	1,050.6	0.1%
6	<b>Retirements and Adjustments:</b>				
7	Retirement	(24,732.3)	(24,732.3)	0.0	0.0%
8	Removal Cost	20,000.0	20,000.0	0.0	0.0%
9	Total Retirement and Adjustments	(4,732.3)	(4,732.3)	0.0	0.0%
10	Net Additions	1,595,950.8	1,597,001.4	1,050.6	0.1%
11	Depreciation Reserve - End of Year	35,196,107.5	35,197,158.1	1,050.6	0.0%
12	Depreciation Reserve Weighting Factor	50.00%	50.00%	0.0%	0.0%
13	<b>Weighted Average Depreciation Reserve</b>	<b>34,398,132.1</b>	<b>34,398,657.4</b>	<b>525.3</b>	<b>0.0%</b>
14	* Depreciation expense for summary of earnings calc.	1,414,798.6	1,415,849.2	1,050.6	0.1%
15	Amortization of CIAC	171,439.9	171,439.9	0.0	0.0%
16	Total Depreciation credited to Reserve	1,586,238.5	1,587,289.2	1,050.6	0.1%
Escalation Year 2026/2027 (\$)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	Depreciation Reserve - Beginning of Year	35,196,107.5	35,197,158.1	1,050.6	0.0%
2	<b>Annual Accruals:</b>				
3	Total Depreciation Expense Credited	1,638,412.5	1,641,337.8	2,925.3	0.2%
4	Salvage	4,980.0	4,980.0	0.0	0.0%
5	Total Annual Accruals	1,643,392.5	1,646,317.8	2,925.3	0.2%
6	<b>Retirements and Adjustments:</b>				
7	Retirement	0.0	0.0	0.0	0.0%
8	Removal Cost	20,000.0	20,000.0	0.0	0.0%
9	Total Retirement and Adjustments	20,000.0	20,000.0	0.0	0.0%
10	Net Additions	1,623,392.5	1,626,317.8	2,925.3	0.2%
11	Depreciation Reserve - End of Year	36,819,499.9	36,823,475.9	3,976.0	0.0%
12	Depreciation Reserve Weighting Factor	50.00%	50.00%	0.0%	0.0%
13	<b>Weighted Average Depreciation Reserve</b>	<b>36,007,803.7</b>	<b>36,010,317.0</b>	<b>2,513.3</b>	<b>0.0%</b>
14	* Depreciation expense for summary of earnings calc.	1,461,974.4	1,464,899.7	2,925.3	0.2%
15	Amortization of CIAC	176,438.1	176,438.1	0.0	0.0%
16	Total Depreciation credited to Reserve	1,638,412.5	1,641,337.8	2,925.3	0.2%

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**GREAT OAKS WATER COMPANY A.24-07-001**

**TABLE 9-1  
WEIGHTED AVERAGE RATE BASE - TEST YEAR**

Test Year 2025/2026 (\$)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	Weighted Average Plant In Service including advances for construction	57,756,191.1	57,798,529.6	42,338.5	0.1%
2	Weighted Average Depreciation Reserve	(34,398,132.1)	(34,398,657.4)	(525.3)	0.0%
3	<b>Net Utility Plant</b>	<b>23,358,059.0</b>	<b>23,399,872.2</b>	<b>41,813.2</b>	<b>0.2%</b>
4	Add: Construction Work-In-Progress (CWIP)	264,795.2	264,795.2	0.0	0.0%
5	<b>Net Utility Plant including CWIP</b>	<b>23,622,854.2</b>	<b>23,664,667.5</b>	<b>41,813.2</b>	<b>0.2%</b>
6	<u>Deductions from Rate Base:</u>				
7	Adjustment to Plant:				
8	Contribution In Aid of Construction	2,477,727.1	2,477,727.1	0.0	0.0%
9	Advances for Construction	3,648,105.1	3,648,105.1	0.0	0.0%
10	Less: Deferred Tax on Advances for Construction	496,492.0	496,492.0	0.0	0.0%
11	Net Advances for Construction	3,151,613.1	3,151,613.1	0.0	0.0%
12	Total Adjustment to Plant	5,629,340.2	5,629,340.2	0.0	0.0%
13	Deferred Federal Income Tax Liability	2,203,872.0	2,225,462.5	21,590.6	1.0%
14	Deferred Investment Tax Credit	0.0	0.0	0.0	0.0%
15	Total Deductions from Rate Base	7,833,212.1	7,854,802.7	21,590.6	0.3%
16	<u>Additions to Rate Base:</u>				
17	Working Capital	2,583,276.6	3,545,455.5	962,178.8	37.2%
18	Excess Tax Reserve Liability & Refund Adjustment	(395,299.0)	(395,299.0)	0.0	0.0%
19	RESERVED	0.0	0.0	0.0	0.0%
20	Total Additions to Rate Base	2,187,977.6	3,150,156.5	962,178.8	44.0%
21	<b>Weighted Average Rate Base</b>	<b>17,977,619.8</b>	<b>18,960,021.2</b>	<b>982,401.5</b>	<b>5.5%</b>
22	<u>Interest Calculation (for Tax Deductions):</u>				
23	Weighted Avg. Rate Base less customer deposits in Working Cash	17,977,619.8	18,960,021.2	982,401.5	5.5%
24	Customer Deposit in Working Cash:	0.0	0.0	0.0	0.0%
25	Weighted Cost of Debt	1.95%	1.95%	0.0%	0.0%
26	Interest Expense	350,563.6	369,720.4	19,156.8	5.5%

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**GREAT OAKS WATER COMPANY A.24-07-001**

**TABLE 9-2  
WEIGHTED AVERAGE RATE BASE - ESCALATION YEAR**

Escalation Year 2026/2027 (\$)		Cal Advocates	GOWC	GOWC > Cal Advocates	
1	Weighted Average Plant In Service including advances for construction	59,492,659.6	59,608,401.4	115,741.7	0.2%
2	Weighted Average Depreciation Reserve	(36,007,803.7)	(36,010,317.0)	(2,513.3)	0.0%
3	<b>Net Utility Plant</b>	<b>23,484,855.9</b>	<b>23,598,084.4</b>	<b>113,228.4</b>	<b>0.5%</b>
4	Add: Construction Work-In-Progress (CWIP)	264,795.2	264,795.2	0.0	0.0%
5	<b>Net Utility Plant including CWIP</b>	<b>23,749,651.2</b>	<b>23,862,879.6</b>	<b>113,228.4</b>	<b>0.5%</b>
6	<u>Deductions from Rate Base:</u>				
7	Adjustment to Plant:				
8	Contribution In Aid of Construction	2,478,723.1	2,478,723.1	0.0	0.0%
9	Advances for Construction	3,388,410.0	3,388,410.0	0.0	0.0%
10	Less: Deferred Tax on Advances for Construction	446,322.0	446,322.0	0.0	0.0%
11	Net Advances for Construction	2,942,088.0	2,942,088.0	0.0	0.0%
12	Total Adjustment to Plant	5,420,811.2	5,420,811.2	0.0	0.0%
13	Deferred Federal Income Tax Liability	2,138,070.5	2,153,663.6	15,593.1	0.7%
14	Deferred Investment Tax Credit	0.0	22.5	22.5	0.0%
15	Total Deductions from Rate Base	7,558,881.7	7,574,497.3	15,615.6	0.2%
16	<u>Additions to Rate Base:</u>				
17	Working Capital	2,768,240.0	3,912,356.3	1,144,116.3	41.3%
18	Excess Tax Reserve Liability & Refund Adjustment	(380,825.0)	(380,825.0)	0.0	0.0%
19	RESERVED	0.0	0.0	0.0	0.0%
20	Total Additions to Rate Base	2,387,415.0	3,531,531.3	1,144,116.3	47.9%
21	<b>Weighted Average Rate Base</b>	<b>18,578,184.5</b>	<b>19,819,913.6</b>	<b>1,241,729.1</b>	<b>6.684%</b>
22	<u>Interest Calculation (for Tax Deductions):</u>				
23	Weighted Avg. Rate Base less customer deposits in Working Cash	18,578,184.5	19,819,913.6	1,241,729.1	6.7%
24	Customer Deposit in Working Cash:	0.0	0.0	0.0	0.0%
25	Weighted Cost of Debt	1.95%	1.95%	0.0%	0.0%
26	Interest Expense	362,274.6	386,488.3	24,213.7	6.7%

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**Attachment 37:  
Great Oaks' Response to Cal Advocates  
Office' Data Request DG-019, Q.2**



## GREAT OAKS WATER COMPANY

P.O. Box 23490  
San Jose, CA 95153  
(408) 227-9540  
[jliem@greatoakswater.com](mailto:jliem@greatoakswater.com)

**Date: October 29, 2024**

To: **Jawad Baki**  
Project Lead  
Public Advocates Office

Phone: (415) 703-3191  
Email: [jawad.baki@cpuc.ca.gov](mailto:jawad.baki@cpuc.ca.gov)

**Catherine Rucker**  
Attorney  
Public Advocates Office

Phone: (415) 703-1755  
Email: [catherine.rucker@cpuc.ca.gov](mailto:catherine.rucker@cpuc.ca.gov)

**Syreeta Gibbs**  
Project Oversight Supervisor  
Public Advocates Office

Phone: (415) 703-1622  
Email: [syreeta.gibbs@cpuc.ca.gov](mailto:syreeta.gibbs@cpuc.ca.gov)

**Daphne Goldberg**  
Utilities Engineer  
Public Advocates Office

Phone: (415) 703-1578  
Email: [daphne.goldberg@cpuc.ca.gov](mailto:daphne.goldberg@cpuc.ca.gov)

**RE: A.24-07-001 Public Advocates DR DG-019 (Energy Storage Project Memo Account Request)**

Great Oaks Water Company (Great Oaks) hereby provides its response to Public Advocates Office Data Request DG-019 (Energy Storage Project Memo Account Request).

### DATA REQUESTS

2. In the table below, list each generator model name Great Oaks either owns or leases with the corresponding date of purchase or lease and purchase cost or annual lease cost (add rows as necessary).

Generator Model	Own or Lease?	Date of Purchase or Signed Lease Agreement	Purchase Cost or Annual Lease Cost (\$)	If Leased, Provide the Lease End Date

Great Oaks Water Company Response to  
Public Advocates Office Data Request DG-019

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**Response:**

Generator Model	Own or Lease?	Date of Purchase or Signed Lease Agreement	Purchase Cost or Annual Lease Cost (\$)	If Leased, Provide the Lease End Date
Multiquip DCA-125SSJU4I	Own	2019	\$43,973	N/A
CUMMINS C300D6R-A041V080	Own	2019	\$64,458	N/A
CUMMINS C300D6R-A041V080	Own	2019	\$58,995	N/A
ONAN DGEA-3369381	Own	2000	\$94,902	N/A
ONAN 150DGFA-97356K	Own	2000	\$62,863	N/A
ONAN 150DGFA-88008K	Own	1997	\$29,011	N/A
KOHLER 125R0ZJ71	Own	1994	\$92,224	N/A
KOHLER 450R0ZD	Own	1992	\$117,006	N/A

**VERIFICATIONS**

I, Juan Liem, am Chief Financial Officer for Great Oaks Water Company. I have read Great Oaks Water Company's Responses to Public Advocates Office Data Request DG-019 and know the contents thereof. I certify that the Responses are true of my own knowledge, except as to matters as are therein stated to be true upon information and belief, and as to those matters, I believe them to be true.

I certify under penalty of perjury that the foregoing statements are true and correct.

Executed at Dallas, Texas on October 29, 2024.

\_\_\_\_\_  
/S/  
Juan Liem

**Attachment 38:  
Great Oaks' Response to Cal Advocates  
Office' Data Request JBQ-006, Q.1a**

<b>GOWC's Balancing and Memo Accounts (BAMAs)</b>							
		<b>BAMA Names</b>	<b>Authorization decision/resolution /advice letter, etc</b>	<b>Balance as of July 1, 2021</b>	<b>Balance as of May 1, 2024</b>	<b>Balance as of July 1, 2024</b>	
				(Under)/Over	(Under)/Over	(Under)/Over	
<b>Balancing Accounts</b>	3	Pump Tax, Agricultural Service	D.23-04-004, AL 310-W	4.64	5.10	5.12	
	4	Low-Income Customer Assistance Program Surcharge Balancing Account	D.23-04-004, AL 313-W	(19,115.10)	(290,532.28)	(291,818.18)	
	5	Pension Expense Balancing Account	D.23-04-004, AL 313-W	(1,012,700.06)	(1,200,457.71)	(1,200,457.71)	
	6	Drinking Water Balancing Account	AL 321-W	-	(50,568.04)	(50,782.00)	
	1	Monterey-Style Water Revenue Adjustment Mechanism	D.13-05-020, AL 248-W	-	(1,420,186.77)	(1,474,294.19)	
	2	Santa Clara Valley Water District Memorandum Account	D.23-04-004, AL 313-W	(3,033,113.89)	(3,496,471.09)	(3,509,894.80)	
<b>Memorandum Accounts</b>	3	City of San Jose Litigation Memorandum Account	D. 13-05-020, AL 248-W	(16,831.73)	(18,311.31)	(18,381.12)	
	4	Water Cost of Capital Adjustment Mechanism	D.18-12-002; D.19-09-010	-	-	-	
	5	School Lead Testing Memorandum Account	D.23-04-004; AL 313-W	-	-	-	
	6	COVID-19 Catastrophic Event Memorandum Account (CEMA)	Res. E-3238; AL 276-W-B	-	-	-	
	7	Credit Card Pilot Program Memorandum Account	D. 23-04-004; AL 313-W	(31,429.32)	(147,212.91)	(152,585.21)	
	8	Supplier Diversity Memorandum Account	D. 23-04-004; AL 313-W	-	(51,177.92)	(51,622.08)	
	9	2021 GRC Interim Rates Memo Account	AL 308-W	-	711,075.36	714,011.81	
	10	Water Infrastructure Act Memorandum Account	AL 320-W	-	-	-	
	11	Lead and Copper Rule Revisions Memorandum Account	AL 313-W	-	-	-	
	12	Excess Usage Surcharge and Conservation Expense Memorandum Account	Res W-4976; AL 302-W-A	-	7,706,510.40	7,737,897.69	
			<b>Total Undercollection/Overcollection</b>		<b>-</b>	<b>565,244.31</b>	<b>426,380.61</b>