

PRELIMINARY STATEMENT  
(Continued)

Sheet 1

**P. Safe Drinking Water State Revolving Fund (SDWSRF) Loan Repayment Balancing Account.**

**1. PURPOSE:**

The purpose of the SDWSRF Loan Repayment Balancing Account is to track recovery of the balance on the SDWSRF loan provided under the American Recovery and Reinvestment Act of SDWSRF projects authorized by Resolution W-4788, dated September 24, 2009.

**2. APPLICABILITY:**

Applicable to the Garrapata Service Area of the Central Satellites within the Central Division.

**3. ACCOUNTING PROCEDURE:**

California American Water shall use a balancing account to track revenues collected through the SDWSRF surcharge, and payments, included interest, on the SDWSRF loan.

The surcharge rates to repay the loan shall last until the loan is fully paid.

- a. A credit entry will be made to a regulatory liability account for surcharges collected.
- b. A debit entry will be made in the same account for payments on the loan.

**4. RATEMAKING PROCEDURE:**

The cost of the capital improvements financed through the surcharge shall be excluded from rate base of ratemaking purposes. Changes in future surcharge rates, or refunds, shall be accomplished by advice letter subject to review and approval.

(Continued)

(TO BE INSERTED BY UTILITY)

Advice      1353

Decision

ISSUED BY

J. T. LINAM

DIRECTOR - Rates & Regulatory

(TO BE INSERTED BY C.P.U.C.)

Date Filed      12/23/2021

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Resolution