WATER/FLC/JPT/EYC/AJT/jlj

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER AND AUDITS DIVISION Water and Sewer Advisory Branch

RESOLUTION NO. W-4655 August 23, 2007

RESOLUTION

(RES. W-4655), APPLE VALLEY RANCHOS WATER COMPANY (Apple Valley). ORDER AUTHORIZING A REVISION TO RULE 15, MAIN EXTENSIONS (Rule 15), TO INCORPORATE A SUPPLEMENTAL WATER ACQUISITION FEE TO BE CHARGED TO APPLICANTS FOR A MAIN EXTENSION.

SUMMARY

By Advice Letter (AL) 140-W filed on February 5, 2007, Apple Valley requests to revise Rule 15, to incorporate a Supplemental Water Acquisition Fee to be charged to applicants for a main extension and to revise the sample forms for Main Extension Contracts to simplify the forms and conform to the proposed revision to Rule 15. This resolution grants that request.

BACKGROUND

Apple Valley provides domestic water from its wells within the Mojave River Ground Water Basin. The Mojave River Ground Basin has been in overdraft since about 1950. The down stream producers filed suit in 1990 to stop this overdraft and the Mojave Basin Area Adjudication was adopted in 1996. The resulting judgment is an administrative process intended to provide a long-term reliable supply for the Mojave Basin. The judgment required a global look at production, return flow, natural inflow, and outflow to determine if the Mojave River Ground Water Basin is in balance ensuring that demand does not exceed supply.

Apple Valley is a stipulating party located in the Alto sub-area of the Basin, with adjudicated rights under the judgment. Apple Valley has a Base Annual Production Right (based upon Apple Valley's historic production in 1989) equal to 13,180 acre-feet. This right is subject to reduction under the judgment, for the purpose of basin management. Free Production Allowance (FPA) is the amount of water that a producer can pump in a given water year without incurring an obligation to buy water form the Mojave Water Agency (MWA), the Watermaster for the Mojave Basin.

FPA is subject to adjustment on an annual basis and is currently set at 60% (also known as "rampdown"). Producers such as Apple Valley are limited to 60% of the Base Annual Production in order to bring the Mojave Basin into hydraulic balance. Under the terms of the judgment, Apple Valley is allowed to pump as much water as needed to serve its customers, subject to replacement water assessments.

Replacement water assessments, water production in excess of the FPA in any year, may be satisfied by transfers of pumping rights from another Producer (leased water rights) or by purchasing imported replacement water from MWA on an annual basis. The Mojave Water Agency is a state water contractor and has an allocation of 75,800 acre-feet per year from the State Water Project.

Due primarily to the rampdown from the Base Annual Production Right and the effects of fill-in growth, Apple Valley has sufficient FPA for approximately 50% of the annual water production required for existing ratepayers and satisfies the remainder by leasing water rights. Although Apple Valley has acquired some additional water rights over the last few years, water rights available for purchase have been limited to small quantities and on an infrequent basis. Although water rights are not readily available for purchase, MWA offers a program whereby replacement water may be prepurchased at a discount for future years, "banked" in the groundwater basin, and pumped in future years.

In June 2006, Apple Valley filed an advice letter for a Service Area Extension, Advice Letter 135-W. In connection with this AL, the Division of Ratepayer Advocates (DRA) expressed concerns regarding the effect of customer growth on the long-term availability and cost of water supplies for Apple Valley. Apple Valley's analysis concluded that at current rates and costs, the average main extension generates additional revenues from new customers that are more than sufficient to cover incremental costs associated with the main extension, including the costs of the water necessary to serve the territory. In addition, long-term forecasting of the cost of water in the Mojave Basin is difficult to perform with accuracy.

Apple Valley met extensively with both DRA and the Water and Audits Division on this matter and continued to meet with DRA regarding the service area extension. The two parties developed an informal proposal to address the issues raised by DRA, a proposal to which both Apple Valley and DRA have agreed upon. This resolution implements the Supplemental Water Acquisition Fee.

Rule 15 - Main Extension

Supplemental Water Acquisition Fee

Apple Valley proposes to modify its Rule 15 to incorporate a Supplemental Water Acquisition Fee, to be charged to applicants for main extensions as a refundable advance, similar to Apple Valley's existing Supply Facilities Fee adopted in Decision 05-12-020.

The Supplemental Water Acquisition Fee requested by Apple Valley will be set at \$3,000 per residential lot for residential developments. For commercial, industrial, and other types of developments, a rate of \$3,000 per equivalent average residential water use is to be based on the water use of a similar business or facility.

The purpose of the Supplemental Water Acquisition Fee is to fund Apple Valley's prepurchase of replacement water from MWA, or for Apple Valley to acquire water rights should such rights become available. Pre-purchased replacement water purchased from MWA will be capitalized by Apple Valley and amortized to expense over a 40-year period consistent with the life of the advance contract set forth in Rule 15.

The pre-purchase of replacement water from MWA and its use over a 40-year period would address the issues of long-term availability and cost of water supply as it would lock-in a commitment from MWA to ensure available water supply to Apple Valley. This would also lock-in a price for that water which would shelter that portion of Apple Valley's source requirement from any increases in cost.

In this advice letter, Apple Valley proposes that the Supplemental Water Acquisition Fee be set up so as to allow the applicant for main extension the option to either:

- 1) Pay the entire amount of the fee associated with the main extension at the time that the main extension itself is completed, at the current rate per lot stated in Rule 15; or
- 2) Pay the fee per lot at the time the meters are installed, subject to any changes or increases in the fee that have been approved at that time.

Apple Valley has requested this change because:

- Neighboring water districts allow such fees to be paid at the time the meters are installed;
- 2) A requirement for the applicants to pay the full amount up front might be problematic in terms of the applicant's financing for the project and might deprive Apple Valley's customers of the benefits of growth; and
- 3) The need for supplemental water will not exist until the meter is installed. Prior to this point in time, there is no additional consumption.

Sample Forms - Main Extension Contracts

This resolution approves changes to the main extension contract forms in Apple Valley's tariffs to be consistent with Rule 15, and to incorporate language relating to the proposed fees, as well as the Supply Facilities Fees adopted previously.

Apple Valley currently has six sample main extension contract forms in its tariffs for main extensions to serve subdivisions, tracts, housing developments, industrial developments, commercial buildings, or shopping centers.

Apple Valley proposes that all of these forms be replaced by a sample main extension contract to serve subdivisions, tracts, housing developments, industrial developments, commercial buildings, or shopping centers which have a number of sections that can be marked as applicable or non-applicable to all the various combinations discussed above. This sample form is intended to simplify Apple Valley's tariffs and contract administration.

The new sample form tariff uses language of various scenarios in Apple Valley's existing sample forms, with sections added to address the Supply Facilities Fees in D.05-12-020 and the proposed Supplemental Water Acquisition Fee. There is an additional sample form just for Supplemental Water Acquisition Fees necessary if the applicant elects to pay the fees as the meters are set rather than paying the entire amount of the fee at the time of the completion of the main extension.

The primary new language of the Supplemental Water Acquisition Fee in Rule 15 is as follows:

"A Supplemental Water Acquisition Fee will be charged to all applicants for a main extension to serve a new subdivision, tract, housing project, industrial development, commercial building, or shopping center as a refundable advance in order to address issues of long-term availability and cost of water supply. The purpose of the Supplemental Water Acquisition Fee will be to fund Apple Valley's pre-purchase of Replacement Water from the Mojave Water Agency (MWA), or for Apple Valley to acquire water rights should they become readily available. Pre-purchased Replacement Water purchased from MWA will be capitalized with the life of the advance contract. The Supplemental Water Acquisition Fee will be calculated as follows:

Residential developments \$3,000 per lot

Commercial, Industrial, or

Other developments. \$3,000 per equivalent average

residential water use based on the water use of a similar business or

facility

A complete set up tariff changes, as requested in Apple Valley's advice letter, are attached as Appendix A.

NOTICE AND PROTESTS

A notice of the proposed tariff changes was mailed to the service list. The Division received no comments or protests.

Division of Ratepayer Advocates Position

Appendix B is a Memorandum of Understanding (MOU) entered between Apple Valley and the Division of Ratepayer Advocates (DRA).

Because the primary purpose of this proposal is the implementation of an agreement between Apple Valley and DRA relating to a revision of Apple Valley's Rule 15, to incorporate the \$3,000 per equivalent residential lot Supplemental Acquisition Fee, a draft, and copy, was furnished to and discussed with DRA.

DRA supports this modification to Rule 15 and has informed Apple Valley that it does not find these modifications to be inconsistent with the agreement between the parties.

COMMENTS

This is an uncontested matter subject to the public notice comment exclusion provided in the Public Utilities Code Section 311 (g) (3).

FINDINGS

- 1. The Water and Audits Division hereby recommends that the tariff Supplemental Acquisition Fee and tariff sheets set forth in Appendix A are reasonable and should be adopted.
- 2. This is an uncontested matter subject to the public notice comment exclusion provided in the Public Utilities Code Section 311 (g) (3).

THEREFORE IT IS ORDERED THAT:

- Advice Letter No. 140-W filed on February 5, 2007, Apple Valley Ranchos Water Company (Apple Valley) to revise Rule 15, Main Extensions, to incorporate a Supplemental Water Acquisition Fee to be charged to applicants for a main extension and to revise the sample forms for Main Extension Contracts to simplify the forms and conform to the proposed revision to Rule 15 is hereby adopted.
- 2. This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on August 23, 2007; the following Commissioners voting favorably thereon:

/s/ PAUL CLANON

Paul Clanon
Executive Director

President
DIAN M. GRUENEICH
JOHN A. BOHN
RACHELLE B. CHONG
TIMOTHY ALAN SIMON
Commissioners

APPENDIX A

APPLE V	ALLEY, CAL	#ORNIA 92307-7005	Canceling	Cal P.U.C. Sheet No.	
			RULE NO. 15 (continued)	····································	_
		h	IAIN EXTENSIONS		
c 1	f.	a main extension to a development, comme in order to address is. The purpose of the Stope purchase of Replifer AVR to acquire worthsed Replacement AVR and amortized a of the advance contractionated as follows: Residential developments of Laduatrial developments of Laduatrial developments.	cave a new subdivision, state building, or shope sues of long-term avails upplemental Water Acqueent Water from the star rights should they no expense over a 40-ye of the Supplemental Variation of the Supplemental Variations of the Supplemental Var		0 0
				\$3,000 per equivalent	ø
				rage residential water use	
				ed on the water use of a similar mess or facility,	Û
		completion of the mai or equivalent, at the ti	n extension at the curre	eny the entire fee at the time of at rate; or 2) pay five fee for each lot, ject to whatever changes to the ne.	0
				s provided for under the Water and Water Company are exempt	0
			(continued)		
,					
	by utility)	Isoner	•	(To be inserted by Cal. P.D.C.	J
vice No.	140-W	LER	SHK_IORDAN Name	Dath Filed	
			1 ATTLES	Effective	
, NA		EXECUTIV	/E VICE PRESIDENT		
			Title	Reschation No.	

	TAWA ROA	ш	•			
r. O. BOX	7004		Сансайня	REVISED	Cal P.U.C. Sheet No.	53 1
		LIFORNIA 92397-7805	CHEROLOGIC	_ KS+ELL	_ 100 100 100 100 100 100 100 100 100 10	
	1,00		12 1 W 1 27 2 1 C	·		
			RULE NO. 15 (continued)			
1			(contraines)			
		М	AIN EXTENSIO	NS		
C. 2	•	Refunds				
	a .	The amount advanced u	endar Section C.1	a, C.I.b, C.i.c	C. J. c., and C.I.f	(0
		shall be subject to refun	d by the wility, is	a cash, withou	interest, to the party o	<u>,</u>
		parties entitled thereto a	is set forth in the :	following two	paragraphs. The total	
		amount so refunded alu				•
		a period not to exceed 4	O years after the	late of the con	ineci.	
	b.	Payment of refunds shall	ll be made oot lat	er than Jone 30) of each year, beginni	ne
		the year following execu				~
		contract anniversary dat				
	C.	Whenever costs of me	sin estendioss :	ndior enviol	familities have been	adwee
	ti.	program to Section C.				
		contract holders an am				
		amounts of the contracts				-
		Allowing of the Okadada	REPARE DESCRIPTION	(cheme		
					ed execuses to section	e C l ኤ
		Whenever deets of spec	ial facilities have	e peem squamo		
		Whenever desis of spec C.L.c., the smooth so se	ial facilities have dvanced shall be	been solveno divided by th	e number of lots (or i	bving vo
		Whenever costs of spec C.1.c., the amount so a whichever is greater) waverage advance per lo	in lacilities have dvanced shall be which the special it (or living unit	best selvano divided by the facilities are for special i	e number of lots (or i designed to serve, to facilities. When anot	iving un obtain ber buil
		Whenever costs of spec C.1.c., the amount so a whichever its greater a average advance per to applies for a main exter	tial facilities have dvaneed shall be which the special it (or living unit naton to serve an	best advance divided by the facilities are for special i y lots for whi	e number of lots (or indesigned to screen to be indesigned to screen the beside the special facilities.	iving un o obtain ber bail s arc to
		Whenever costs of spec C.1.c., the amount so as whichever is greater) was average advance per lo applies for a main exten- used, the new applicant	tial facilities have dvanced shall be which the special it (or living unit naion to serve an shall, in additio	been advance divided by the facilities are for special in y lots for white the tasts	e number of lots (or i designed to serve, to facilities. When anot all the special facilitie of his proposed main	living un o obtain ber buil os arc to catensi
		Whenever costs of spec C.1.c., the amount so as whichever is greater) was average advance per los applies for a main exter used, the new applicant also advance an amount	tial facilities have dvanced shall be which the special of (or living unit naion to serve an shall, in addition for special facili	bean advance divided by the facilities are for special if y lots for white a to the casts ties. This age	e number of lots (or i designed to serve, to facilities. When enot ich the special ticotitu of his proposed main runt shall be the avers	living un o obtain ber buil se acc to cestensi ge adva
		Whenever costs of spec C.1.c., the amount so a whichever is greater) waverage advance per lo applies for a main exter used, the new applicant also advance an amount per lot for special facil	tial facilities have dvanced shall be which the special it (or living unit asion to serve an shall, in additio for special facili- itles for each lo	bean advance divided by the facilities are for special if y lots for white a to the casts ties. This amount to be used if	e number of lots (or i designed to serve, to facilities. When anot ich the special factition of his proposed main sunt shall be the avera less 2 1/2 percent of t	iving un obtain ber buil se sec to cestensi ge advan he aven
		Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main exter used, the new applicant also advance an amount per lot for special field advance for each year	tial facilities have dvanced shall be which the special at (or living unit naion to serve an shall in addition for special facili- ities for each lo in which refund	e best advance divided by the facilities are of for special if y lots for while in to the casts ties. This amount to be used if I have been d	e number of lots (or i designed to serve, to helities. When and to the special incitition of his proposed main part shall be the avera- less 2 ½ percent of to the and psychic on to	bying un o obtain ther built as are to a extensi- ge adva- the origin
		Whenever costs of spec C.1.c., the amount so a whichever is greater) waverage advance per lo applies for a main exter used, the new applicant also advance an amount per lot for special facil	tial facilities have dvanced shall be which the special at (or living unit naion to serve an shall in addition for special facili- ities for each lo in which refund	e best advance divided by the facilities are of for special if y lots for while in to the casts ties. This amount to be used if I have been d	e number of lots (or i designed to serve, to helities. When and to the special incitition of his proposed main part shall be the avera- less 2 ½ percent of to the and psychic on to	tiving un o obtain ther buil- ts are to restensi- ge advan- the avers the origin
		Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main exter used, the new applicant also advance an amount per lot for special faell advance for each year contract, protected in June The amount advanced to	tial facilities have dvanced shall be which the special at (or living unit, nainn to serve an shall, in addition for special facilities for each lot in which refund = 30, or the contribute the utility by the	a best selveno divided by the facilities are) for special i y lots for whit n is the custs ites. This amount to be used i I have been duct anniversary s new applica.	e number of lots (or i designed to serve, to facilities. When anoto- ich the special facilitie of his proposed main mant shall be the avera- less 2 % percent of 6 for and psychis on 6 of date on a musthly be not shall be immediate,	tiving un o obtain ther buil- ge act on a ge advan the avers the origin sis.
		Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main cutes used, the new applicant also advance for each year contract, prorated to June The amount advanced to the holder of the origin	tial facilities have divanced shall be which the special at (or living unit, nation to serve an shall, in addition for special facilities for each lot in which refund a 30, or the contribution the utility by the nal contract, which	a best advance divided by the facilities are of for special ly lots for whit a to the custs ties. This amount to be used I have been duct anniversary a new applica.	e number of lots (or i designed to serve, to healistics. When and oth the special facilities of his proposed main sunt shall be the avera less 2 % percent of the and psychise on a descent a muesthiy be not shall be immediate, a cost of the special fa-	tiving un no obtain ther buil ge act to a catenal ge advan the avera the original sis.
		Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main cuter used, the new applicant also advance an amount per lot for special field advance for each year contract, prorated to June The amount advanced to the holder of the original contract adv	tial incitions have divanced shall be which the special at (or fiving unit nation to serve an shall, in addition for special facilities, for each lot in which refound a 30, or the contration of the utility by the nat contract, while same will be red	a best salvame divided by the facilities are of for special I y lots for whit it is the casts the This amo to be used it have been d art anniversary e new applica th included the model accordin	e number of lots (or i designed to serve, the healities. When anot to his proposed main sunt shall be the avera less 2 % percent of the me and payable on a r date on a muschily be not shall be immediate, a cost of the special fa- gly. The utility will	living un o obtain ther buil as ace to a extensi ge advan the origi sis. ly refine suities, a thence fo
		Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main exten- used, the new applicant also advance an amount per lot for special facil advance for each year contract, prorated to June The amount advanced to to the holder of the original contract advantaged 2 % percent arms	tial incitions have divanced shall be which the special at (or fiving unit nation to serve an shall, in addition for special facilities, for each lot in which refound a 30, or the contration of the utility by the nat contract, while same will be red	a best salvame divided by the facilities are of for special I y lots for whit it to be used it to be used it have been d art anniversary e new applica th included the model accordin	e number of lots (or i designed to serve, the healities. When anot to his proposed main sunt shall be the avera less 2 % percent of the me and payable on a r date on a muschily be not shall be immediate, a cost of the special fa- gly. The utility will	living un o obtain ther buil as ace to a extensi ge advan the origi sis. ly refine suities, a thence fo
		Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main externace, the new applicant also advance as amount per lot for special faell advance for each year contract, proxated to June The amount advanced to the holder of the origin the original contract advanced 2 ½ percent amount olders of the contract.	tial facilities have divanced shall be which the special at (or living unit, naint to serve and shall, in addition for special facilities for each lot in which refund a 30, or the contract, which remove will be red ally on each of the	a best advance divided by the facilities are of for special is y lots for whith not the casts to be used it have been duct anniversary as new applicath included the moed according a contract anniversary	e number of lots (or i designed to serve, to facilities. When and oth the special facilitie of his proposed main want shall be the avera less 2 % percent of to the and psyable on to desire and psyable on the desire and desire and desire and desire and desire and desire desire and desire and de	fiving un o obtain ther built as are to a extensi- ge advan the avers the original sis. ly refined milities, a thence for bowe, to t
		Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main extensed, the new applicant also advance an amount per lot for special field advance for each year contract, prorated to June The amount advanced to the holder of the original contract advanced 2 ½ percent amma bolders of the contract. Advances and refunds he	tial facilities have divanced shall be which the special at (or living unit, naint to serve and shall, in addition for special facilities for each lot in which refund a 30, or the contract, which remove will be red ally on each of the	a best advance divided by the facilities are of for special is y lots for whith not the casts to be used it have been duct anniversary as new applicath included the moed according a contract anniversary	e number of lots (or i designed to serve, to facilities. When and oth the special facilitie of his proposed main want shall be the avera less 2 % percent of to the and psyable on to desire and psyable on the desire and desire and desire and desire and desire and desire desire and desire	tiving un o obtain ther builts are to a extensi ge advan the avera the originals. The originals withers, a thence for bove, to t
		Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main externace, the new applicant also advance as amount per lot for special faell advance for each year contract, proxated to June The amount advanced to the holder of the origin the original contract advanced 2 ½ percent amount olders of the contract.	tial facilities have divanced shall be which the special at (or living unit, naint to serve and shall, in addition for special facilities for each lot in which refund a 30, or the contract, which remove will be red ally on each of the	a best advance divided by the facilities are of for special is y lots for whith not the casts to be used it have been duct anniversary as new applicath included the moed according a contract anniversary	e number of lots (or i designed to serve, to facilities. When and oth the special facilitie of his proposed main want shall be the avera less 2 % percent of to the and psyable on to desire and psyable on the desire and desire and desire and desire and desire and desire desire and desire	fiving un o obtain ther built as are to a extensi- ge advan the avers the original sis. ly refined milities, a thence for bowe, to t
		Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main extensed, the new applicant also advance an amount per lot for special field advance for each year contract, prorated to June The amount advanced to the holder of the original contract advanced 2 ½ percent amma bolders of the contract. Advances and refunds he	tial facilities have dvanced shall be which the special at (or living unit name to serve an eshall, in addition for special facilities for each lot in which refund a 30, or the contract, which reach of the utility by the nal contract, which reach of the asset on additions asset on additions.	a best selveno divided by the facilities are) for special ! y lots for whith n to the casts ties. This amount to be used ! the been d act anniversary e new applica sh included the need according e contract anni-	e number of lots (or idesigned to serve, to facilities. When another of his proposed main sunt shall be the averages 2 ½ percent of the and psyable on to date on a muschip be and shall be immediate, e cost of the special fagy. For utility will runts, as determined strictly in the strictly will be determined at the strictly will be strictly will be determined at the strictly will be determined at the strictly will be strictl	fiving un o obtain ther built as are to a extensi- ge advan the avers the original sis. ly refined milities, a thence for bowe, to t
		Whenever costs of spec C.1.c., the amount so a whichever is greater) waverage advance per lo applies for a main extensed, the new applicant also advance an amount per lot for special faell advance for each year contract, prorated to June The amount edwanced to the helder of the origin the original contract advances of the contract advances and refunds he similar manner.	tial facilities have dvanced shall be which the special at (or living unit name to serve an eshall, in addition for special facilities for each lot in which refund a 30, or the contract, which reach of the utility by the nal contract, which reach of the asset on additions asset on additions.	a best selveno divided by the facilities are) for special ! y lots for whith n to the casts ties. This amount to be used ! the been d act anniversary e new applica sh included the need according e contract anni-	e number of lots (or idesigned to serve, to facilities. When another of his proposed main sunt shall be the averages 2 ½ percent of the and psyable on to date on a muschip be and shall be immediate, e cost of the special fagy. For utility will runts, as determined strictly in the strictly will be determined at the strictly will be strictly will be determined at the strictly will be determined at the strictly will be strictl	tiving un o obtain ther builts are to a extensi ge advan the avera the originals. The originals withers, a thence for bove, to t
be inserted	I by snifty)	Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main extensed, the new applicant also advance an amount per lot for special faell advance for each year contract, protected in June The amount advanced to the holder of the origin the original contract advances of the contract. Advances and refunds he similar manner. In no case shall the refund	tial facilities have dvaneed shall be which the special section to serve an shall in addition for special facilities for each lot in which refound a 30, or the contract, which reach of the utility by the manner will be reduly on each of the accordance of the accordance of the accordance of the accordance will be reduly on each of the accordance of the	a best selveno divided by the facilities are) for special ! y lots for whith n to the casts ties. This amount to be used ! the been d act anniversary e new applica sh included the need according e contract anni-	e number of lots (or idesigned to serve, to facilities. When another of his proposed main sunt shall be the averages 2 ½ percent of the and psyable on to date on a muschip be and shall be immediate, e cost of the special fagy. For utility will runts, as determined strictly in the strictly will be determined at the strictly will be strictly will be determined at the strictly will be determined at the strictly will be strictl	iving un o obtain ber build as are to i extensi- ge advan the avers the origin sis. ly refund- nities, a thencefor- bove, to t
	•	Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main extensed, the new applicant per lot for special faell advance for each year contract, prorated to June The amount advanced to to the holder of the original contract advanced 2½ percent annual bolders of the contract. Advances and refunds be similar manner. In so case shall the refundables	tial facilities have divanced shall be which the special it (or living unit naim to serve an shall, in addition for special facilities for each lot in which refund to the utility by the nai contract, which rance will be redully on each of the accordance of the utility of the accordance of the utility on each of the accordance of the a	a best selveno divided by the facilities are) for special ! y lots for whith n to the casts ties. This amount to be used ! the been d act anniversary e new applica sh included the need according e contract anni-	e number of lots (or idesigned to serve, to hecilities. When annoted the special facilities of his proposed main and shall be the averable of the proposed of the and psychie on the and psychie on the and psychie on the description of the special factor of the special factor of the special factor. The utility will reman, as determined all impation will be determined at a second of the special factor of the special f	iving un o obtain ber build as are to i extensi- ge advan the avers the origin sis. ly refund- nities, a thencefor- bove, to t
be inserter viviae No.	•	Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main extensed, the new applicant per lot for special faell advance for each year contract, prorated to June The amount advanced to to the holder of the original contract advanced 2½ percent annual bolders of the contract. Advances and refunds be similar manner. In so case shall the refundables	tial facilities have dvanced shall be which the special at (or living unit nainn to serve an shall, in addition for special facilities for each lot in which refund a 30, or the contrato the utility by the nai contract, which resed on additional domains of the continued of the continued of the continued).	a best selveno divided by the facilities are) for special ! y lots for whith n to the casts ties. This amount to be used ! the been d act anniversary e new applica sh included the need according e contract anni-	e number of lots (or designed to serve, to the life it when and the special facilities. When and the special facilities of his proposed main sunt shall be the averable of the and psychie on the and psychie on the date on a musthity be not of the special factor of the special factor. The utility will reman as determined all initiations will be determined at the control of the special factor of	iving un o obtain ber buik as are to i extensi- ge advar he avers he origin sis. ly refund nuities, a thencefor nove, to t
Lątvice No.	•	Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main extensed, the new applicant also advance as amount per lot for special facilitations for each year contract, protected to June The amount advanced to to the holder of the origin the original contract advances and refunds he similar manner. In so case shall the refundable of the contract.	tial facilities have dvaneed shall be which the special at (or fiving unit nation to zerve an shall, in addition for special facilities for each lot in which refund a 30, or the contract while the unities by the analyon will be redully on each of the asset on additions do not any contract (continued) and By Name	described by the facilities are of for special (y lots for whith the custs ties. This age to be used the bean during the second the se	e number of lots (or idesigned to serve, to designed to serve, to hiscilities. When another the server is the server of the proposed main must shall be the averages 2 % percent of the and psychie on the and psychie on the server of the serv	iving un o obtain ber buik as are to i extensi- ge advar he avers he origin sis. ly refund nuities, a thencefor nove, to t
	•	Whenever costs of spec C.1.c., the amount so a whichever is greater) a average advance per lo applies for a main extensed, the new applicant also advance as amount per lot for special facilitations for each year contract, protected to June The amount advanced to to the holder of the origin the original contract advances and refunds he similar manner. In so case shall the refundable of the contract.	tial facilities have divanced shall be which the special at (or living unit nainn to serve an a shall, in addition for special facilities for each lot in which reduct a 30, or the contract, which reduct of the utility by the nail contract, which assed on additional domain contract (continued) and on any contract (continued)	described by the facilities are of for special (y lots for whith the custs ties. This age to be used the bean during the second the se	e number of lots (or designed to serve, to the life it when and the special facilities. When and the special facilities of his proposed main sunt shall be the averable of the and psychie on the and psychie on the date on a musthity be not of the special factor of the special factor. The utility will reman as determined all initiations will be determined at the control of the special factor of	iving un o obtain ber buik as are to i extensi- ge advar he avers he origin sis. ly refund nuities, a thencefor nove, to t

	WA ROAD			•				
768 OTTA								
O. BOX 70	10.5						207-W, 208-W,	209-1
PPLE VALI	LEY, CA 92:	307-7005	Canceling	REVISED	Cal P.U.C. St	beet No.	210 W, 211-W,	212-W
						_		
			FORM NO	0.5-Faze 1	<u>of 4</u>			(N
			MAIN EXT	TENSION CO	INTRACT			1
:	SCEDIVIS	IONA TRAC	TS. HOUSING	PROJECT	L POUSTRI	AL DEV	ELOPMENTS.	ì
			CIAL BUILDE					(N
								4
					1	TATE #: 41	OXXXXX	(M
					_			***
UIILITY:	Name:	Annie	Vailey Ranchos	Water Co				(N
	Addres		lox 7005, Apple		07387			Ψ.
	t from so	2.0.1	TONE LOADS ENDING	· versy, ever	72007			!
applica)	NT+	Name:						
THE LANGESTY		Address:						:
		Work car:						;
		-	City,		State	Zi		
			uny,		Substree	24	y	
et the cost		nequest. This and conditions.	contract does no	A require spec	ific authorizati	kon of CPI	UC to carry	
URPOSE work des xhibit C in formishin	of CONT cribed in at astalled by A	RACT: Appl tached Exhibit applicant and c tity water servi	icant hereby app B shall be instal conveyed to the ce to that certain	plies for a war led or perform Utility. Such 1 property wh	er main ettens ned by Utility : facilities will l	ion. The and those se used for	facilities described in rthe purpose	: .
URPOSE r werk des whilbit C in f furnishin	OF CON'I cribed in at a stalled by / g public util n the map a	RACT: Appl tached Exhibit applicant and c tity water servi	icant hereby app B shall be instal anyoyed to the	plies for a war led or perform Utility. Such 1 property wh	er main ettens ned by Utility : facilities will l	ion. The and those se used for described	facilities described in rthe purpose	***
URPOSE r work des shibit C in f furnishin	OF CON'I cribed in at a stalled by / g public util n the map a	nd conditions. RACT: Appliached Exhibit applicant and conty water servituded as Exhibit	icant hereby app B shall be instal conveyed to the ce to that certain	plies for a wat iled or perfora Utility, Such a property wh o as:	er mein extens ned by Utility : facilities will l nee location is	ion. The and those we used for described	facilities described in r the purpose below sud/or	
URPOSE r work des ishibit C in f furnishin	OF CON'I cribed in at a stalled by / g public util n the map a	med conditions. RACT: Applications and conditions are recorded to the conditions.	icant hereby app B shall be instal conveyed to the ce to that certain	plies for a wat iled or perfora Utility, Such a property wh o as:	er main extens ned by Utility ; facilities will b ose location is	ion. The and those we used for described	facilities described in r the purpose below sud/or	:
URPOSE r work des ishibit C in f furnishin	or constant of con	med conditions. RACT: Applications and conditions are recorded to the conditions.	icant hereby app B shall be instal conveyed to the ce to that certain	plies for a wat iled or perfora Utility, Such a property wh o as:	er mein extens ned by Utility : facilities will l nee location is	ion. The and those we used for described	facilities described in r the purpose below sud/or	·
URPOSE r work des inhibit C in f furnishin	or constant of con	med conditions. RACT: Applications and conditions are recorded to the conditions.	icant hereby app B shall be instal conveyed to the ce to that certain	plies for a wat iled or perfora Utility, Such a property wh o as:	er mein extens ned by Utility : facilities will l nee location is	ion. The and those we used for described	facilities described in r the purpose below sud/or	
PURPOSE F work des Schibit C in f furnishin chinealed of Urifity anchieses, li mpletion v attached I contact in respect	OF CONT oribed in at stalled by / g public uti n the map Main R (Job Name agrees that kenges or o with all reas to Section (react: Applicated Exhibit applicant and distributed as Exhibit thanked as Exhibit chansion for it will, as soon ther government on the different the factorial of when the factorial think C are not 2.1.1, the requirement	icant hereby app B shall be instal conveyed to the ce to that certain bit A and know	plies for a war lled or perform Utility. Such a property what a secription description esterials and has bave been a stalling the fa- lescribed in E- pted by Likling Main Extension	er main extens ned by Utility; facilities will be ne location is located a fraction — bet abor are availa chained, comp- cilities ur perfi- which B has be , and, if Appli at Contract For	ion. The and those we used for described M ween x 4 and n make and n make and outsing we can comply cant elector on place and cant elector of the	facilities described in r the purpose below and/or yerreen] secessary permits, presecute to set described sted, and the s Option 2 mental Water	
URPOSE The work describing the state of the	OF CONT oribed in at stalled by / g public uti n the map Main R (Job Name agrees that kenges or o with all reas to Section (react: Applicated Exhibit applicant and distributed as Exhibit thanked as Exhibit chansion for it will, as soon ther government on the different the factorial of when the factorial think C are not 2.1.1, the requirement	icam hereby app B shall be instal conveyed to the ce to that certain thit A and know as necessary a risal gutherization tilities or work of in tilities or work of in tilities or work of in tilities or work of the I	plies for a war lled or perform Utility. Such a property what a secription description esterials and has bave been a stalling the fa- lescribed in E- pted by Likling Main Extension	er main extens ned by Utility; facilities will be ne location is located a fraction — bet abor are availa chained, comp- cilities ur perfi- which B has be , and, if Appli at Contract For	ion. The and those we used for described M ween x 4 and n make and n make and outsing we construct elections of the control of	facilities described in r the purpose below and/or yerreen] secessary permits, presecute to set described sted, and the s Option 2 mental Water	······································
URPOSE The work describing the state of the	OF CONT oribed in at stalled by / g public uti n the map Main R (Job Name agrees that kenges or o with all reas to Section (react: Applicated Exhibit applicant and distributed as Exhibit thanked as Exhibit chansion for it will, as soon ther government on the different the factorial of when the factorial think C are not 2.1.1, the requirement	icam hereby app B shall be instal conveyed to the ce to that certain thit A and know as necessary a risal gutherization tilities or work of in tilities or work of in tilities or work of in tilities or work of the I	plies for a war lled or perform Utility. Such a property what a secription description esterials and has bave been a stalling the fa- lescribed in E- pted by Likling Main Extension	er main extens ned by Utility; facilities will be ne location is located a fraction — bet abor are availa chained, comp- cilities ur perfi- which B has be , and, if Appli at Contract For	ion. The and those we used for described M ween x 4 and n make and n make and outsing we construct elections of the control of	facilities described in r the purpose below and/or yerreen] secessary permits, presecute to set described sted, and the s Option 2 mental Water	•
URPOSE The work describing the state of the	OF CONT oribed in at stalled by / g public uti n the map Main R (Job Name agrees that kenges or o with all reas to Section (react: Applicated Exhibit applicant and distributed as Exhibit thanked as Exhibit chansion for it will, as soon ther government on the different the factorial of when the factorial think C are not 2.1.1, the requirement	icam hereby app B shall be instal conveyed to the ce to that certain thit A and know as necessary a risal gutherization tilities or work of in tilities or work of in tilities or work of in tilities or work of the I	plies for a war lled or perform Utility. Such a property what a secription description esterials and has bave been a stalling the fa- lescribed in E- pted by Likling Main Extension	er main extens ned by Utility; facilities will be ne location is located a fraction — bet abor are availa chained, comp- cilities ur perfi- which B has be , and, if Appli at Contract For	ion. The and those we used for described M ween x 4 and n make and n make and outsing we construct elections of the control of	facilities described in r the purpose below and/or yerreen] secessary permits, presecute to set described sted, and the s Option 2 mental Water	•
URPOSE The work describing the state of the	OF CONT oribed in at stalled by / g public uti n the map Main R (Job Name agrees that kenges or o with all reas to Section (react: Applicated Exhibit applicant and distributed as Exhibit thanked as Exhibit chansion for it will, as soon ther government on the different the factorial of when the factorial think C are not 2.1.1, the requirement	icam hereby app B shall be instal conveyed to the tee to that certain that A and know as mesessary a ties quitherization the work of in tilities or work of multiples and accep irements of the I ave been met, w	plies for a war lled or perform Utility. Such a property what a secription description esterials and has bave been a stalling the fa- lescribed in E- pted by Likling Main Extension	er main extens ned by Utility; facilities will be ne location is located a fraction — bet abor are availa chained, comp- cilities ur perfi- which B has be , and, if Appli at Contract For	ion. The and those we used for described M ween x 4 and n make and n make and outsing we construct elections of the control of	facilities described in r the purpose below and/or yerreen] secessary permits, presecute to set described sted, and the s Option 2 mental Water	•
URPOSE F work describing to firm shin, clineated or Unity anchies, is a market or a stacked I collineated or a stacked I colline describing the same of the same	OF CONT or cont terms a or cont or c	react: Applicated Exhibit Applicant and a city water servitant and a city water servitanted as Exhibit as Exhibit as Exhibit as Exhibit as soon ther government conside different and when the fachibit C are conditionally and a city of the requirement of the city of the	icam hereby app B shall be instal conveyed to the tee to that certain that A and know as mesessary a ties quitherization the work of in tilities or work of multiples and accep irements of the I ave been met, w	plies for a war led or perform Unity. Such a property who is as: [description asterials and has have been a stalling the fa- lescribed in E- pted by L'ality Main Extensional provide util	er main extenses and by Uniting a facilities will be one location in a control of ineation — but the control of ineating and in Contract For lifty service in a	ion. The and those we used for described M ween a said on sing we can comple cant electra Supplem secondance	facilities described in the purpose below and/or yerresh preserve in sk described ened, and the s Option 2 mental Water with Unitry's	(M)
r work described to in function of functions of functions of the function of functions of the function of the	OF CONT oribed in at stalled by / g public uti n the map Main R (Job Name agrees that kenges or o with all reas to Section (react: Applicated Exhibit Applicant and a city water servitant and a city water servitanted as Exhibit as Exhibit as Exhibit as Exhibit as soon ther government conside different and when the fachibit C are conditionally and a city of the requirement of the city of the	icam hereby app B shall be instal conveyed to the tee to that certain that A and know as mesessary a ties quitherization the work of in tilities or work of multiples and accep irements of the I ave been met, w	plies for a war led or perform Unity. Such a property who is as: [description asterials and has have been a stalling the fa- lescribed in E- pted by L'ality Main Extensional provide util	er main extenses and by Uniting a facilities will be one location in a control of ineation — but the control of ineating and in Contract For lifty service in a	ion. The and those we used for described M ween a said on sing we can comple cant electra Supplem secondance	facilities described in r the purpose below and/or yerreen] secessary permits, presecute to set described sted, and the s Option 2 mental Water	(M)
URPOSE F work describing to firm shin, clineated or Unity anchies, is a market or a stacked I collineated or a stacked I colline describing the same of the same	OF CONT or cont terms a or cont of the control of the control for public	react: Applicated Exhibit Applicant and a city water servitant and a city water servitanted as Exhibit as Exhibit as Exhibit as Exhibit as soon ther government conside different and when the fachibit C are conditionally and a city of the requirement of the city of the	icant hereby app B shall be instal conveyed to the se to that certain thit A and know as necessary a fel authorization to the work of in talities or work of malete and accep irements of the l ave been met, w	led or perform the led or perform to the led or perform to the led of the led	er main extenses and by Unities will to ose location is a control of intention — but the control of intention — but the control of intention — but the control of intention in Contract For Entry service in .	ion. The and those we used for described M ween a said on sing we can comple cant electra Supplem secondance	facilities described in the purpose below and/or yerresh preserve in sk described ened, and the s Option 2 mental Water with Unitry's	(M)
URPOSE F work describing to finishing chineated or Uniting anchies, jumpletion v attached I cities describe requisition I riffs.	OF CONT or cont terms a or cont of the control of the control for public	react: Applicated Exhibit Applicant and a city water servitant and a city water servitanted as Exhibit as Exhibit as Exhibit as Exhibit as soon ther government conside different and when the fachibit C are conditionally and a city of the requirement of the city of the	icam hereby app B shall be instal conveyed to the tee to that certain that A and know as mesessary a ties quitherization the work of in tilities or work of multiples and accep irements of the I ave been met, w	plies for a war led or perform Utility. Such a property wh as: (description asterials and li as have been astalling the fa- stalling the fa-	er main extenses and by Unities will to ose location is a control of intention — but the control of intention — but the control of intention — but the control of intention in Contract For Entry service in .	ion. The and those we used for described M ween x and one one and one	facilities described in the purpose below and/or yerresh preserve in sk described ened, and the s Option 2 mental Water with Unitry's	(M)
URPOSE T work describing to the following the control of functions of the control of the contro	OF CONT or cont terms a or cont of the control of the control for public	react: Applicated Exhibit Applicant and a city water servitant and a city water servitanted as Exhibit as Exhibit as Exhibit as Exhibit as soon ther government conside different and when the fachibit C are conditionally and a city of the requirement of the city of the	icam hereby app B shall be instal conveyed to the test to that certain this A and know I as mesessary in test authorization to the work of in talities or work of implete and acceptrements of the l ave been met, w	plies for a war led or perform Utility. Such a property wh as: (description asterials and li as have been astalling the fa- stalling the fa-	er main extens and by Unity; facilities will to nee location is l.acated a of headion – bets abor are avails obtained, comp- cilities or perforhibit B has be, haid B has be, are Contract For lity service in a	ion. The and those we used for described M ween x and one one and one	facilities described in the purpose below and/or yerresh preserve in sk described ened, and the s Option 2 mental Water with Unitry's	(M)
URPOSE T work describing to the following the control of functions of the control of the contro	OF CONT or cont terms a or cont of the control of the control for public	md conditions. RACT: Applicant and city water servitanted as Exhibit the classion for the will, as soon there government on able different conditions the faction. C are conditioned when the faction. C are conditioned when the faction of when the faction C are conditioned when the faction of the requirement of the conditions of the co	icam hereby app B shall be instal conveyed to the test to that certain this A and know I as mesessary in test authorization to the work of in talities or work of implete and acceptrements of the l ave been met, w	plies for a war led or perform Uffility. Such a property what a secribile and has been plied in a stalling the fa- lescribed in E- pted by Utility Main Extension attimed)	er main extens and by Unity; facilities will to nee location is l.acated a of headion – bets abor are avails obtained, comp- cilities or perforhibit B has be, haid B has be, are Contract For lity service in a	ion. The and those we used for described M ween x and notice and notice and contains we can complete the Tappelem specuriate of the instance of the transfer of the instance o	facilities described in the purpose below and/or yerresh preserve in sk described ened, and the s Option 2 mental Water with Unitry's	(M)

APPLE VA	ILLEY KANCHOS W.	RCO.	REVISEU	Call	2 Sheet No.	>900-W	
21 760 OT] P. O. BOX	CAUR AWAT					207-W, 208-W, 20	γ-γ.
	LLEY, CA 92307-7005	Canceling	revised	Cal. P.U.	C. Sheet No.	210-W, 211-W, 21	2.W
		FORM MAIN EXTE	NO. 5 Page 2				(M) (M2)
TLET.	ITIES TO BE INSTA	T Y 2220-					an.
							(N)
_	ubject to Refund (Seet		8.1-3				!
Application for the months of the months of Rule. Section	est shall advance the ar and described in Exhibit which has already ain extension is comm Applicant agrees to p	pplicable — Non Applit noun of \$	cover the cos i C.1.a. of Rui it to Section A on of the arm facilities desc	ke No. 15 i5.b. of Ri unit advant withod in E	which amount ule No. 15, bei ced pursuant t Ethibit C, purs	; includes Tire construction o Sention A.G.e. mant lib	
Applica B pursu in Exhit salvance Bither as be serve	of shall advance the est act to Section C.1.b. of at C. installed pursuan subject to refund not t mount is to be refunded d by these special facil mally Facilities Fee. (1)	licable — Non Application and control of a pecial of Rule 15, which is \$_1 to Section C.l.c. of Roceast &	facilities (other trans.) Tale 15, the and trans. The of Rale of to be cable)	pay the concentration of the pay the concentration of the concentration	ost of special ach east to be file to said faci number of lots	facilities, described ireated as an lities to utility. A living units to	
Applica: pursuad	t shall advance the am	ount of \$ the pulse. This amount is for	cost of supply	facilities Meter Eq	foe described i uivalents, whi	n Exhibit B ah is spread over	
Applican Exhibit I This amo residentic to pay th	t shall advence the am 3 pursuant to Section C unit is for resi al water use equivalent	mismicar Fee (Applicate count of \$\frac{1}{2}\$. the C.I.f. of Rule, paid price dential loss and communes beared on the water us separate Main Extrus received.	cost of suppl or to complete reisl, inclustri se of a similar	emental w or of the p of, or other trostocas	rater sequisition project according f meters with or facility. If A	n fee described in ng to Option 1average applicant elects	
3) <u>No</u>	t Subject to Refund						_ [
If the dist contained dated Ap- of Rule, 1	l in Section VIII 1(a) in ril 21, 1982, Applicant he increase in cost of (gued to meet fire flow a CPUC General Order shall pay, as a contrib de distribution mains a led in either Exhibit B	No. 103, as outlon in sid of exessary to make Exhibit C, i	erdered by Foonstruc set socials	Decision No. alon pursuant t	\$2-04-089 to Section D.2	(N)
	5 e - 1 e 1 . 195-1	(8)	gtinuszi)		To be desired	ALICA BUSE	
(1) Advice No.	b he inserted by attlify)	LEIGH K. M	PUAN		(To be max Date Filed	nted by Call, P.U.C.)	
EDITATIVE TAG	3TV W	Nemoc Nemoc			Effective		
Dec. No.		EXECUTIVE VICE			Resolution No.		

APPLE VALLEY RANCHOS W	7A (CO)	REVISED	_Cal. P	567-W
21760 OTTAWA ROAD		•		
P. O. BUX 7005 APPLE VALLEY, CA 92307-70	65 Canceling	proneco	Cal. P.U.C. Sheet No	207-W, 202-W, 209-W, 210-W, 211-W, 212-W
	Chickens		- CORD 3 10451 SERVET 3110	210-11, 23, 24, 22, 24
	FORM N	(O. 5 Page 3 o	44	(N)
	MAIN EXTE		<u>tract</u>	(N)
	(c	(Detention:		-
[f		· · · - ·	a tu ahaa da Itu ahaa a	man dimension of the
customer is responsible for t	on services or other facilit he east and rehisle I bilitar			
Meters and Customer's Funi				
these facilities. The amount				
b) Special Facilities (App	dicable - Non-Applicable			
	••	-	_	
If facilities other than mains:				
fire protection service, or pos protection purposes, Applies				
D.3 of Rule 15, the estimated				
protection service, which is \$		and and includes but	mesal reference to la	O-III III
				,
 o) <u>Plant Facilities</u> (Applie 	able - Non Applicable)			1
Pursuant to Section C.1.d. of	Rule, if, in the opinion of	the utility it a	ppears that a propose	d main extension
will not, within a reasonable;				
for some other reason it appear				
on customers, the utility may				
of an advance subject to refin				cover the cost of
facilities described in said Exi revision of the amount advance				
installed familities described in				
contribution.	I DANSON 43 PRIOREM IS C			
				1
DEWINDS TL	Language Publication Transcrip	i asani sama wa	2 - 3	in Constant
REFUNDS: The amount Aduntil Applicant shall notify U				
to Applicant.	and in similar to me on	mar 21 arr folgi	THE INTERIOR STREET BY	· pan oy compy
				3
ADJUSTMENT TO COST	AND THE PERSONS	er Tvh Aires	PT- A	nadan l
contributed are subject to adia				
to offset against any refunds o				
Applicant to Utility.				(N)
-				
	(cor	minued)		
(To be inserted by utility)			(To be i	nserted by Cal. P.U.C.)
advice No. 140-W	LEIGH K. 10	RDAN	Date Filed	
	Varian			
			Effective	
Dec. No.	EXECUTIVE VICE		- Dan-1 37	_
	Tille	•	Resolution No	J

APPLE VALLBY RANCHOS V. 1	er co.	REVISED	_ Cal. `	C. Sheet No.	568-W	
21760 OTTAWA ROAD						
P. O. BOX 7005					207-W, 208-W,	
APPLE VALLEY, CA 92307-7005	Canoding	REVISED	_ Cal P.	U.C. Sheet No.	210-W. 211-W.	212-Y
	FORM NO.	5 Page 4 of 4				(N
	MAIN EXTER					(N
		ortinued)				•
		_				
					_	
CONDITIONS: The Utility will						(N
casements, rights-of-way or street						!
during installation of said water: any and all permits or other gover						-
the facilities. Applicant will prov						i
priór to construction.			y			í
-						-
SUCCESSORS AND ASSIGN						1
agreement shall bind and inure to			alives, exp	scators, admini	strators,	
successors and/or assigns of the r	espective Parties be	(5 0,				
JURISDICTION OF PUBLIC	TESTE STEEN AND AND AND ADDRESS OF THE PERSON ADDRESS OF THE	I BANGONTA GATA 1	Tien Press	met alada te ell	timer ha	
subject to such changes or modifi						- 1
or as said Commission may, from					CHILDRE	ł
	-,,	E U U U U U U U U U U				
The effective of this Contract shall						- 1
	(Date)				
177 - Cont. A security To 100 a 1770						
SIGNATURE PAGE:						
Dated:, 20	·	Ву:				1
				lepresentative o		
		Apj	olo Valiey	Ranchos Wate	я Сощийу	
		Title:				- 1
		£ 14,36×		~		- 1
m		_				
Dated:, 20		Ву:	harimal D	concentative o	f Anniisane	l
		AUL	muren t	Whitesenson or o	2 coppurant	
		Title:				(N)
To be inserted by utility)				(To be inse	mad fry Cal., P.U.C.	.)
dvice No. 140-W	LEIGH K. 10			Date Filed		
	Name			Por ale		
se, No.	EXECUTIVE VICE.	Postenavari		Effective		
	EXECUTIVE VICE. Title			Resolution No.		
	-487					

760 OTTAWA ROAD	•		I,C. Sheet No.	569-Y
O. BOX 7005 PLE VALLEY, CA 92307-7005	Canceling	Cal P.U.	C. Sheet No.	
FOR SUPPLE	FORM NO. 6 – Fa MAIN EXTENSION MENTAL WATER ACQUIS	CONTRACT	NDER OPTIO	(N.2 (
		E OL	#: 410XXXXX	2
JTILITY: Name:	Apple Valley Ranchos Water C	₽.		(
Address:	P.O. Box 7005, Apple Valley, (CA 92307		
PPLICANT: Name: Address	S:			_
		Cliv State	Zip	
t the contract terms and cond		-	•	ý
eliminary Main Extension Co cilities or work to be installed s Utility, with the exception o chibit C attached to that centr lity water service to that cent	ntract with Utility for the main a i or performed by Utility and the f Supplemental Water Acquisitie act. Such facilities will be used ain property located as described	se installed by Applicat on Poes, are described in for the purpose of furn	ow. The si and conveyed a Exhibit B and ishing public	
eliminary Main Extension Co cilities or work to be installed thility, with the exception o hibit C attached to that centrally water service to that central	entract with Utility for the main a cr performed by Utility and the f Supplemental Water Acquisitis and be used ain property located a described third A and known as:	extension described bek se installed by Applicat on Pocs, are described be for the purpose of furn	ow. The si and conveyed a Exhibit B and ishing public	
reliminary Main Extension Co cilities or work to be installed e Utility, with the exception shibit C attached to that contribity water service to that carb tached to that contract as Exh	ntract with Utility for the main a or performed by Utility and the f Supplemental Water Acquistic act. Such facilities will be used aim property located as described that A and known as:	extension described bekes se installed by Applicat on Foce, are described in for the purpose of furni I below and/or delineate	ew. The stand conveyed a Exhibit B and ishing public ad on the map	
eliminary Main Extension Co- cilities or work to be installed a Utility, with the exception of thibit C attached to that contract as the contract as Exh Main Extension [Job Name] Utility agrees that it will, schiers, licenses or other gow impletion with all reasonable of attached Exhibit E, and when diffice described in Exhibit C h respect to Section C.I.f., the quisition Fer Paid Under Optinis. This contract covers Supplements	entract with Utility for the main a cr performed by Utility and the f Supplemental Water Acquisition act. Such facilities will be used aim property located as described that A and known as: 1 for [4 secription as acceptable of the work of insulfing the work of insulfing the the facilities or work described are complete and accepted by Utility and I have been met, will provide the metal Water Acquisition Feethermental Water Acquisition Feethe	extension described becker installed by Applicat an Fees, are described in fir the purpose of furni I below and/or delineate Located at a of location - between a a and labor are available, commente to facilities or perform in Exhibit B has been tility, and, if Applicant making Centract Por Sug to utility service has account	w. The stand conveyed a Exhibit B and taking public at on the map and y streats and processing and processing completed, and if elects Option 2 optemental Wate ridance with Lith deciral to pay	ermits, ermits
eliminary Main Extension Co- cilities or work to be installed a Utility, with the exception of thibit C attached to that central lithy water service to that central ached to that contract as Exh Main Extension [Job Name] Utility agrees that it will, ochiese, licenses or other gow inplation with all reasonable of attached Exhibit R, and when diffice described in Exhibit C th respect to Sentim C.I.f., the quisition Fer Paid Under Optifis. This contract covers Supplied Option 2, at the time that:	entract with Utility for the main a cr performed by Utility and the f supplemental Water Acquisition act. Such facilities will be used aim property located as described that A and known act. for [Facet puter as soon as necessary materials a semmental authorizations have beliftgenee the work of insulfing the facilities or work described are complete and accepted by Utility acts are provided to the facilities of the Main Extendent 2 have been met, will provide the total accepted by Utility and the provided are complete and accepted by Utility accepted by Utility and the provided are complete and accepted by Utility and the provided accepted by Utility and U	extension described bekee installed by Applicate in Feor, are described in for the purpose of furnit below and/or delinease Located at a of location – between a and labor are available, commente of facilities in performing facilities in performing facilities in the sheem of thirty, and, if Applicant resion Centract Por Sugar lifety, and, if Applicant assion Centract Por Sugar lifety service in second which Applicant has a sal Water Acquisition Fe	w. The stand conveyed a Exhibit B and taking public ad on the map and y streets] and necessary po e and processure completed, and st cleets Option 2 optemental Wate rdance with Util deciral to pay ess to be paid by	ermits, ermits er
eliminary Main Extension Co- cilities or work to be installed a Utility, with the exception of thibit C attached to that central lithy water service to that central ached to that contract as Exh Main Extension [Job Name] Utility agrees that it will, ochiese, licenses or other gow inplation with all reasonable of attached Exhibit R, and when diffice described in Exhibit C th respect to Sentim C.I.f., the quisition Fer Paid Under Optifis. This contract covers Supplied Option 2, at the time that:	entract with Utility for the main a cr performed by Utility and the f Supplemental Water Acquisition act. Such facilities will be used aim property located as described third A and known as: 1 for [#secriptor action of the work distribution of the work of installing the facilities or work described are complete and accepted by Utility and the facilities or work described are complete and accepted by Utility and I have been met, will provide the mental Water Acquisition Free meters are set. The Supplement	extension described bekee installed by Applicate in Feor, are described in for the purpose of furnit below and/or delinease Located at a of location – between a and labor are available, commente of facilities in performing facilities in performing facilities in the sheem of thirty, and, if Applicant resion Centract Por Sugar lifety, and, if Applicant assion Centract Por Sugar lifety service in second which Applicant has a sal Water Acquisition Fe	w. The stand conveyed a Exhibit B and taking public ad on the map and y streets] and necessary po e and processure completed, and it cleets Option 2 optemental Wate rdance with Util deciral to pay ess to be paid by	ermits, ermits er
eliminary Main Extension Co- cilities or work to be installed e Utility, with the exception of shibit C attached to that contract as Exh Main Extension [Job Name] Utility agrees that it will, unchiers, licenses or other gow impletion with all reasonable of attached Exhibit B, and whom idities described in Exhibit C th respect to Sentim C.I.f., th quisition Fee Paid Under Optinis. This contract covern Supplier Option 2, at the time that:	entract with Utility for the main a cr performed by Utility and the f Supplemental Water Acquisition and the foundation of Supplemental Water Acquisition and property located as described that A and known as: I for [#secription as accessary materials a semmental authorizations have being the facilities or work described are complete and accepted by Utility and I have been met, will provide the Main Extraction 2 have been met, will provide the mental Water Acquisition Free meters are set. The Supplement above main extension are described above main extension are described above main extension are described.	extension described becker installed by Applicate an Feeg, are described in for the purpose of form I below and/or delineate Located at a of location – between a and labor are average as and labor are average as and labor are average facilities or performs in Exhibit B has been to lifty, and, if Applicant resion Contract Por Sugar dility sarvine has considered in Exhibit A nitaction for the proposed in Exhibit A nitaction in Exhibit	w. The stand conveyed a Exhibit B and taking public ad on the map and y streets] and necessary po e and processure completed, and it cleets Option 2 optemental Wate rdance with Util deciral to pay ess to be paid by	ermits, ermits, to ermits ermit
eliminary Main Extension Co- cilities or work to be installed e Utility, with the exception of shibit C attached to that contract lifty water service to that cert tached to that contract as Exh Main Extension [Job Name] Utility agrees that it will, unchiese, licenses or other gow inpletion with all reasonable of attached Exhibit E, and when elities described in Exhibit C th respect to Section C.I.f., the quisition Fee Paid Under Optifis. This contract covern Supplier Option 2, at the time that:	entract with Utility for the main of or performed by Utility and the f Supplemental Water Acquisition act. Such facilities will be used aim property located as described third A and known as: for	extension described becker installed by Applicate an Feeg, are described in for the purpose of form I below and/or delineate Located at a of location – between a and labor are average as and labor are average as and labor are average facilities or performs in Exhibit B has been to lifty, and, if Applicant resion Contract Por Sugar dility sarvine has considered in Exhibit A nitaction for the proposed in Exhibit A nitaction in Exhibit	ow. The stand conveyed a Exhibit B and taking public aid on the map and y streats] and to each processary proc	ermits, ermits, to ermits ermit
eliminary Main Extension Co- cilities or work to be installed e Utility, with the exception of shibit C attached to that contract lifty water service to that cert tached to that contract as Exh Main Extension [Job Name] Utility agrees that it will, unchiese, licenses or other gow inpletion with all reasonable of attached Exhibit E, and when elities described in Exhibit C th respect to Section C.I.f., the quisition Fee Paid Under Optifis. This contract covern Supplier Option 2, at the time that:	entract with Utility for the main a cr performed by Utility and the f Supplemental Water Acquisition act. Such facilities will be used aim property located as described that A and known as: for	extension described becker installed by Applicat 20 Foce, and described it for the purpose of form it below and/or delineate Located at a of location - between x a and labor are available, commence to facilities or performs in Exhibit B has been o liftly, and, if Applicant in exhibit S has been o liftly, and, if Applicant is entitle service to account which Applicant has e al Water Applicant has e al Water Applicant has e al Water Applicant of the control to the control of the control of the control to the control of the control of the control of the control to the control of the cont	ow. The stand conveyed a Exhibit B and taking public aid on the map and y streats] and to each processary process of the contract of the contr	ermits, ermits, to ermits ermit

apple valley rangbos (21 76) Ottawa Ro ad	A BRCO. <u>OR</u>	KHNAL CAL P.U.C. Sheet No.	<u>570-</u> 34
P. O. BOX 7005 APPLE VALLEY, CA 92307-7	004		
ARATR ANTITION OF ANY OF A	Canceling	Cal., P.U.C. Sheet No.	
	FORM NO. 6 Pag	≥ 2 of 3	(N
	MAIN EXTENSION CO	INTRACT	(M
FACLITIES TO BE INST	TALLED:		(N)
1. Subject to Refund (S	ection (C.2)		1
a) Simplemental Water	Acquisition Fee		·
Applicant shall advance the		of supplemental water acquisition for	į
acsermen in Exture a pure according to Option 2, This	ang no second C. i. i. of Rolle 201, 15; amount is for resident	paid at the time that the naders are set let tots and commercial, industrial, or	
Other meters with	avcrage nesidential water use equ	ivalents based on the water use of a similar	
	ove amount is subject to adjustment : Seable to any meters set after such el	for changes in the rate or nature of the Po- tenne is amounted.	• <u> </u>
	•		i
		refunded pursuam to Section C.2. of Rule pary, gil refunds hercander thalf be paid	:
ry Utility to Applicant.	тионт соля п жини и посон	181A' an renness senemen men de band	-
	E 4 NEW 2000 EDITO EVENTOR OF C	Minimize and a second	
ue subject to adjustment pu	raumi in Section A.S.e. of Rule and	tFFSET: Amounts advanced or contribut Othicy shall have the right to office again	1822 [
my refunds payable hereind	ict, the amount of any indebtedance t	ben due or owing by Applicant to Utility.	
CONDUCTIONS: The Udia	ty will close this contract at the end	of the calendar year in which the main	
extension is completed cover	ing whatever Supplemental Water A	equisition Fees have bee paid up to that	į
		each subsequent calendar year, untit all equivities Fees due on whatever rectes	
nave not yet been set at that		•	1
Contenental Water Acquisi	tion Fees paid under Option 2 are so	bject to whatever changes in rate or natur	e I
	een approved by the CPUC at the tim		i
UCCESSORS AND ASSI	CNS: The obligations of the Appli	cant shall be joint and several. This	i
greement shall hind and inco	re to the benefit of the beins, represen		į
necessous and/or assigns of	the respective Partics hereto.		l
	JC UTILITIES COMMISSION:		1
	edifications by the Public Utilities C m time to time, direct in the exercise:	ommission of the State of California or	1
а ани сопшивали щау, цо	THE STATE OF THE PARTY AND ADDRESS OF THE PART	77 HILJULISHIOLORIC	1
The effective date of this Con	ricact shall be (Date)		įħ√) į
	(snew)		(**)
	(barmimos)		
o be inserted by utility)	lasted By	(To be inserted by Cal. P.U	(C.)
vice No. <u>140-W</u>	LEUTH K. JORDAN	Date Filted	
	Name	Efficave	
- No.	EXECUTIVE VICE PRESIDEN	<u> </u>	
	Title	Resolution No.	

APPLE VALUEY RANCH	ON W ARCO.	ORIGIN.	AL ad. P.U.C. Sheet No.	571-W
21760 OTTAWA ROAD				
² . O. BOX 7005 APPLE VALLEY, CA 9236	na mar			
frie vallet, Ca 720		Ameding	Cal. P.U.C. Sheet No.	
	·/			
		M NO. 6 Page 3 of 3		Q
	MAIN	EXTENSION CONT	RACT	(I)
		(continued)		
SIGNATURE PAGE				•
CHINAI UKE FAUE	(F			(N
		•		
Dated:	. 20	Ву:		(N
-		Apth	orized Representative of	_ ,
			e Valley Ranchos Water Compan	Πy
				•
		Titlet		(N
ated	, 20	Ву:		_ (N
		Auth	rized Representative of Applica	_ v·
			,,	
		Title:		(N
To be inserted by utility)		Issued By	(To be inserted by Cal.	P.U.C.)
idvice No. 140-W	fire.)	HK JORDAN	Date Filed	-
		Name		
			Effective	
ec. No.	AXECUTIV	E VICE PRESIDENT		
		Title	Resolution No.	

APPENDIX B

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is entered into between Apple Valley Ranchos Water Company (AVR) and the Division of Ranchayer Advocates (DRA), collectively, the Parties.

l. Regitats

A. AVR's current rates were set in Decision 05-12-020 issued by the California Public Utilities Commission in December of 2005 for test Year 2006 and Becalation Years 2001 and 2006.

B. Since 2003, AVR has been requiring applicants for a main extension to advance the cost of the acquisition of one acre foot of Base Annual Production water rights per residential lot as special facilities under its Main Extension Rule. AVR has informed DRA that it began having difficulty acquiring water rights with the result that, in some cases, by the time water rights could be found available for purchase, the cost had increased over the, then, current market price advanced by applicants, and eventually the difficulty reached a point where AVR was mable to find any water rights available for purchase. AVR currently has approximately \$1.5 million of moneys advanced from applicants for main extensions for the purpose of acquiring water rights and for which AVR has not been able to find water rights available to purchase. Although water rights are not reachly available for purchase, the Majave Water Agency (MWA) has a program under which Replacement Water can be pre-purchased for future years, "bankod" in the groundwater basin, and pumped in the future years. This MOO deals with the resolution of this situation.

2. Acreements and Understandings

A. AVR agrees to file an advice letter to modify its Main Extension Rule (Rule 15) to incorporate a Supplemental Water Acquisition Fee, to be charged to applicants for main extensions as a refundable advance, similar to AVR's existing Supply Facilities Fee adopted in Decision 05-12-020, in order to address issues of long-term availability and cost of water supply. The Supplemental Water Acquisition Fee requested by AVR will be set at \$3,000 per residential tot for Rasidential developments and for Commercial, Industrial or other types of developments, will be set at a rate of \$3,000 per equivalent

sverage residential water use based on the water use of a similar business or facility. The stated purpose of the Supplemental Water Acquisison Fee will be to fund AVR's prepurchase of Replacement Water from MWA, or for AVR so acquire water rights should they become readily available. Pre-purchased Replacement Water purchased from MWA will be capitalized by AVR and amentized to expense over a 40-year period consistent with the life of the advance contract set forth in the Main Extension Rule, AVR proposes to file the advice letter within approximately 30 days from the date of this MOU.

- B. The Parties agree to support AVR's advice latter filing described above. The Parties also agree that the fee described above is appropriate through December 31, 2008. Either Party may propose changes to the existence, senount, nature, or purpose of the fees in AVR's next CRC proceeding, or subsequent proceedings, to be effective Jarmary 1, 2009 or later. Either Party is free to oppose any such proposed changes.
- C. The Parties agree that, until the above referenced Supplemental Water Acquisition Fee becomes effective, AVR will continue to collect from applicants for main extension, as a refundable advance, the current market cost, as best it can be determined, of one acre-foot of water rights per residential lot. The Parties agree that these moneys, along with all other moneys collected to purchase water rights for which AVR has not expended because of its inability to find water rights available to purchase, shall be used to pre-purchase Replacement Water from MWA or to purchase water rights from the Mojave Basin should any become readily available at the time.
- D. As of this date, AVR has in its passession approximately \$1.5 million of unspent moneys which were collected from applicants for mein extensions for the purchase of water rights. The Parties agree that the moneye collected by AVR so far and any additional collected through December 31, 2008, either for the purchase of water rights at then correct market price or as Sopplemental Water Acquisition Fees pursuant to the modification of AVR's Main Extension Rule once it becomes effective, will be considered by the Parties for all purposes to be the correct amounts, appropriately advenced, to have been collected from applicants for the acquisition of supplemental water. The parties agree that the amount of water rights and/or pre-purchased Replacement Water purchased by AVR with the moneye collected as described above through December 31, 2008 will be considered to be the correct amount to have been

sequired. The Parties agree that the amounts of moneys advanced and the amounts of water rights and/or pre-purchased Replacement Water purchased by AVR with the moneys collected as described above through December 31, 2009 will be used as the basis for acting rates to be effective from Lanuary 1, 2009 anward. The Parties agree that either party in the next general rate increase proceeding may propose a different mounter of collection, on a prospective basis, from January 1, 2009 onward, and either party may purpose some other ratemaking treatment for moneys collected on or other January 1, 2009.

- 6. The Parties agree that the procedures described shows with respect to the amounts of moneys advanced and the amounts of water rights end/or pre-purchased Replacement Water purchased by AVR with the moneys collected through December 31, 2008 will be reflected in AVR's next GRC along with any consequent and consistent impact on rate base and expenses. The Parties agree not to seek changes in AVR's rates to reflect the changed procedures described in this MOM that would be effective prior to January 1, 2009.
- F. The Parties agree that no signatory to the MOU assumes personal liability as a result of this agreement. All rights and remedies of the Parties are limited to those available before the Commission.

DIVISION OF RATEPAYER ADVOCATES

Daniel Sanchez
Chief, Water Branch

California Public Utilities Commission Division of Ratepayer Advocates 505 Van Noss Avenue San Francisco, CA 94102

Dated: October 3 2006

APPLE VALLEY RANCHOS WATER COMPANY

Executive vice President

Apple Valley Ranchos Water Company 9750 Washhum Road Downey, CA 90241-7002

Dated: October 💋, 2006