

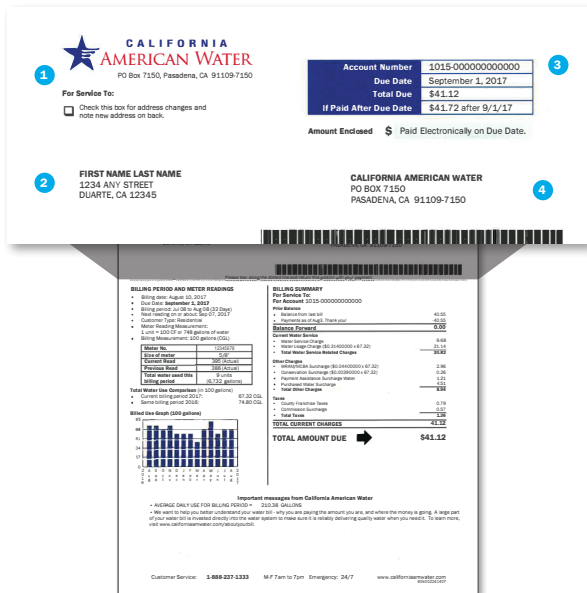


HOW TO READ YOUR WATER BILL



YOUR LOS ANGELES - DUARTE DISTRICT WATER BILL (SAMPLE)

This sample bill describes the charges that appear on customer bills in your service area. Please see below for information about how to read your California American Water bill.



Customer Contact Information

- 1 For Service To: address of property receiving water service.
- 2 Customer name and billing address.

Customer Account Information

- 3 Your Account Number, Due Date and Total Amount Due are all easy to spot. If Paid After Due Date shows the amount due with late fees if not paid by the Due Date.

Payment

- 4 Detach this paystub and return with your payment. On this paystub, you will find the bill due date and total charges due. Please write the payment amount in the space provided.

Make checks payable to California American Water and always include your account number. The address on the front of this paystub must be visible through the window on the return envelope when the payment is mailed. **Note: The return address shown is not a California American Water company office or location, but a payment collection center. For office locations, please visit www.californiaamwater.com.**

Billing Period and Meter Readings

- 5 Your account details, including billing date, billing period, next meter reading on/about date, and type of rate you are charged. **Our meters are read in increments of 100 cubic feet approximately once every 30 days. All customers are billed in 100-gallon increments.**

- 100 cubic feet = 1 Unit
- 1 Unit = 748 Gallons

In this example, a 9-unit bill will be billed based on 67.32 hundred gallons. (9 x 748 = 6,732/100 = 67.32).

Meter Information

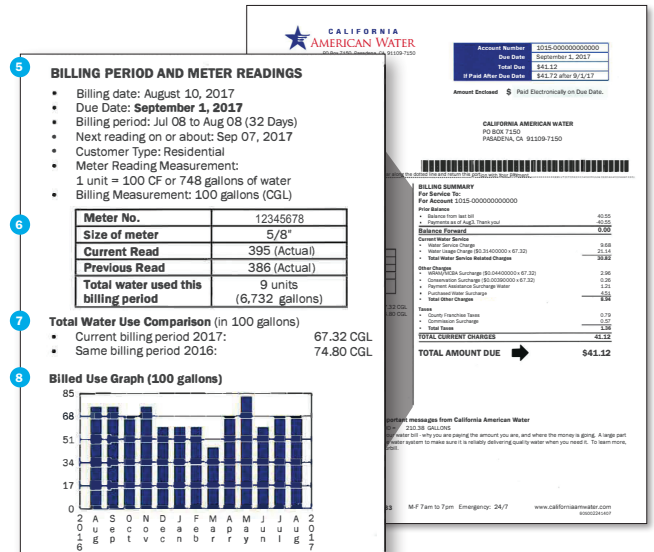
- 6 This section reports information about your meter, its number, size and the number of units billed in the billing period. This meter number is associated with your property and records your water usage. In this portion, we provide a conversion into 100-gallon increments, labeled as "CGL" on your bill.

Total Water Use Comparison (in 100 gallons)

- 7 A comparison between your current usage versus your usage the same month the year prior, if applicable.

Billed Use Graph (100 gallons)

- 8 The billed use graph outlines your water usage during the past year.



Important Messages from California American Water

- 9** We often include important notices and customer information in this section pertaining to rate information and other billing changes when they occur. We encourage you to read this to keep up with the programs we offer and any new projects we may have.

Questions About Your Bill

- 10** Our Customer Service Center contact information and our website address are conveniently located in one area. Our Customer Service Center is available Monday – Friday, 7 a.m. to 7 p.m., and our emergency lines are available 24 hours a day.

9 Important messages from California American Water

10 Customer Service: 1-888-237-1333 M-F 7am to 7pm Emergency: 24/7 www.californiaamwater.com

11 The amount you owed in dollars from your previous bill along with any payment you may have made in the past billing cycle. This section will also show any unpaid balances or overpaid credits to go towards your next bill.

12 This section consists of a water usage and a water service charge.

13 Additional surcharges authorized by the California Public Utilities Commission (CPUC). These surcharges fund a variety of obligations associated with the Los Angeles County system that are not included in the base rate. **Note: Additional surcharges may appear upon authorization by the CPUC.**

14 Taxes

15 **TOTAL AMOUNT DUE** → **\$41.12**

9 Important messages from California American Water

- AVERAGE DAILY USE FOR BILLING PERIOD = 210.38 GALLONS
- We want to help you better understand your water bill - why you are paying the amount you are, and where the money is going. A large part of your water bill is invested directly into the water system to make sure it is reliably delivering quality water when you need it. To learn more, visit www.californiaamwater.com/aboutourbill.

10 Customer Service: 1-888-237-1333 M-F 7am to 7pm Emergency: 24/7 www.californiaamwater.com

BILLING SUMMARY

Prior Balance

- 11** The amount you owed in dollars from your previous bill along with any payment you may have made in the past billing cycle. This section will also show any unpaid balances or overpaid credits to go towards your next bill.

Current Water Service

- 12** This section consists of a water usage and a water service charge.

- Water Service Charge: A fixed service charge that corresponds with the size of your meter.
- Water Usage Charge: The volume-based charges are divided into four tiers with higher rates for higher than average levels of water use. Water usage is billed on a tiered billing structure to encourage water conservation. The water usage charge consists of a water base rate.

Other Charges

- 13** Additional surcharges authorized by the California Public Utilities Commission (CPUC). These surcharges fund a variety of obligations associated with the Los Angeles County system that are not included in the base rate. **Note: Additional surcharges may appear upon authorization by the CPUC.**

- WRAM (“Water Revenue Adjustment Mechanism”) Surcharges: This surcharge makes up the difference between the CPUC’s authorized quantity revenue and the amount actually billed to customers during the calendar year.

This surcharge was approved by the CPUC in order to allow utilities to recover losses in revenues due to lower consumption resulting from conservation rate designs. This concept is sometimes also referred to as “revenue decoupling.”

These surcharges cover undercollections for a specific time period. The expected period in which these collections will occur is determined by CPUC rules and can range from one to three years.

- Conservation Surcharge: This surcharge funds California American Water conservation initiatives and activities in Los Angeles County, including our rebate program, landscape water surveys, and program staff. **This surcharge is \$0.0039 per hundred gallons used.**
- Payment Assistance Surcharge Water: **California American Water customers who are not part of the low-income program** will notice a charge of \$1.21 per bill to help fund the Low Income Ratepayer Assistance program for customers facing financial difficulties. For customers who qualify for the low-income program, a discount of 20% off total water-service-related charges would appear here.
- Purchased Water Surcharge: This surcharge covers the cost of water from our wholesalers and is based on your water usage over the billing period. If your usage increases, your surcharge increases proportionally. A customer with no water usage pays no purchased water surcharge.
- Total Other Charges: The sum of all other charges for the billing cycle.

Taxes

- 14** California American Water collects taxes on behalf of public agencies and then remits those funds to the taxing authorities.

- County Franchise Taxes: A county tax levied on California American Water that gives businesses the right to be chartered and/or operate within that county.
- Commission Surcharge: This is a tax which funds our regulator and is approximately 1.44% of your bill.
- Total Taxes: This is the sum of all taxes for the billing cycle.

Total Amount Due

- 15** The total summary of charges of your bill, including any past due amount. This should be paid on or before the current bill’s due date.



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