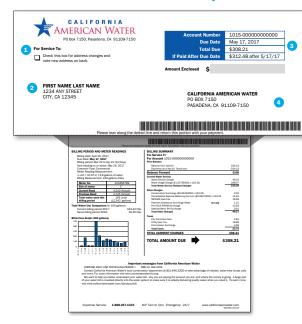
HOW TO READ YOUR CALIFORNIA AMERICAN WATER BILL

Monterey District - Commercial



Your 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.

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, 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/or about date, and type of rate you are charged. Note: Our meters are read in increments of 10 cubic feet approximately once every 30 days. All customers are billed in 100-gallon (CGL) increments.
 - 10 Cubic Feet = 1 Unit = 74.8 Gallons

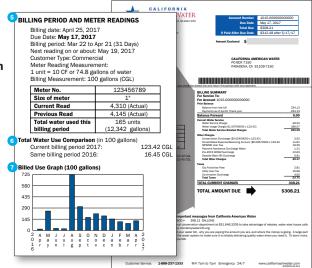
This section also reports your meter number and the size of your meter. We read meters approximately every 30 days to determine the amount of water used. Current and previous meter readings are also included here.

Total Water Use Comparison (in 100 gallons)

6 A comparison between your current usage versus your usage the same month the year prior, if available.

Billed Use Graph (100 gallons)

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





Important Messages from California American Water

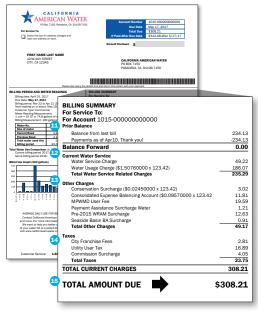
8 We often include important notices and customer information in this section. We encourage you to read this to keep up with the programs we offer, new projects, and important rate information.

Average Daily Use for Billing Period

9 Here you'll find your average daily water usage during the billing period.

Questions About Your Bill

Our customer service center contact information and our website address are conveniently located in one area.



Prior Balance

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

- This section is divided into two charges.
 - 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 divisions. For the Monterey Main system, the divisions are as follows:

Division	Cost per 100 gal (CGL)
Division 1: Commercial customers that are fully Rate Best Management Practice compliant – indoors and outdoors – and irrigate no more than 10% of their property	\$1.5076
Division 2: Commercial customers that are fully Rate Best Management Practice compliant – indoors and outdoors – and have a business where outdoor watering is essential to their business (example: nurseries, golf courses, public parks, ball fields and cemeteries)	\$1.7888
Division 3: Commercial customers that are fully Rate Best Management Practice compliant – indoors and outdoors – and irrigate more than 10% of their total property; also included in this division are Rate Best Management Practice compliant irrigation meter customers	\$1.9874
Division 4: Commercial customers that are not Rate Best Management Practice compliant in one or more aspects of their indoor or outdoor usage	\$3.9749

Other Charges

- Here you will find additional surcharges authorized by the California Public Utilities Commission (CPUC) through advice letter filings and decisions. These surcharges fund a variety of obligations associated with the Monterey system that are not included in the base rate. Please see below to learn more.
- Conservation Surcharge: This surcharge funds conservation initiatives and activities on the Monterey Peninsula such as California American Water's rebate program, free Rain Sensor Install Program, and Landscape Grant Program. For more information go to www.montereywaterinfo.org. The surcharge is \$0.0245 per CGL of water consumed.
- Consolidated Expense Balancing Account Surcharge: This surcharge tracks the overcollection or undercollection of certain CPUC-authorized
 costs. The General Expense Balancing Account is used to capture (or refund) undercollections (or overcollections) for items where the CPUC
 allowed California American Water to track differences in authorized costs versus costs actually incurred for future recovery.
 - Some of the specific items that are recovered through this surcharge are Seaside Basin costs, Carmel River Cease and Desist Order costs, Benefit Plan costs, purchased power costs and others. This surcharge is \$0.0957 per CGL of water consumed.
- **MPWMD User Fee:** This surcharge funds the Monterey Peninsula Water Management District's (MPWMD) environmental mitigation, water supply, and conservation programs, as well as other activities. The surcharge is 8.325% of the customer's monthly base bill and will remain in effect until otherwise directed by the CPUC.
- Payment Assistance Surcharge Water: This surcharge helps fund the Low Income Assistance Program. Qualifying customers of this program receive a reduction in their overall bill due to financial hardship. The surcharge is \$1.21 added onto the total bill.
- **Pre-2015 WRAM Surcharge:** A 5-year WRAM surcharge will recover previously approved but uncollected revenue for the years 2010–2015. This surcharge is a flat monthly charge based on meter size.
- Seaside Basin Balancing Account (BA) Surcharge: This surcharge was approved to recover costs incurred in securing permanent Seaside Basin water rights. This surcharge is a flat monthly charge based on meter size and is designed to recover \$2.8 million of costs over 10 years.

Taxes

- 44 California American Water collects city and utility taxes on behalf of public agencies and then remits those funds to the taxing authorities.
 - Franchise Fees: These taxes allow for operations in public right of ways. Rates vary depending on the jurisdiction.
 - **Utility User Tax:** A tax that cities and counties may impose on businesses for providing utility, trash, water or communication services within the respective city or county. The city or county levies this tax. California American Water collects this tax on behalf of the government entity and remits it to the respective city or county. California American Water keeps no portion of the utility user tax.
 - Commission Surcharge: This tax, which funds the CPUC, is 1.5% of your bill.

Total Amount Due

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









