

Preliminary Statement
(continued)

(N)

AW. Cost of Capital Interim Rate Memorandum Account (COC IMA)

1. PURPOSE: To track the difference between the rates in effect beginning January 1, 2018, and the rates that would have been charged if the new cost of capital adopted in A.17-04-001 et al. (D.18-03-035) had been in effect.
2. APPLICABILITY: Applicable to all regulated areas served by California Water Service Company, except Grand Oaks.
3. ACCOUNTING PROCEDURE: The memorandum account will reflect the following entries:
 - a. Revenue based on rates in effect beginning January 1, 2018, until rates reflecting the new cost of capital go into effect.
 - b. Revenue based on rates beginning January 1, 2018 as if the new cost of capital had been in effect, until rates reflecting the new cost of capital go into effect.
 - c. The difference between a. and b., above.
 - d. Interest calculated based on the average balance in each segment of the account multiplied by 1/12th of the most recent month's annual interest rate on Commercial Paper (prime, 90-day), published in Federal Reserve Statistical Release H-15.
4. DISPOSITION: After the Commission adopts a final decision in A.17-04-001 et al., the memorandum account will be adjusted to reflect the actual difference and the balance shall be trued-up in accordance with Commission rules.

(End)

(N)

(To be inserted by utility)

Advice Letter No. 2300
Decision No. _____

Issued by

PAUL G. TOWNSLEY

Name

Vice President

Title

(To be inserted by CPUC)

Date Filed _____
Effective _____
Resolution No. _____