

Preliminary Statement BQ

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BQ. Water Contamination Remediation Memorandum Account (WCRMA)

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1. PURPOSE

The purpose of the WCRMA is to record all incremental costs to comply with any new or revised Federal Environmental Protection Agency and/or California's State Water Resources Control Board, Division of Drinking Water rules, including, but not limited to, Maximum Contamination Levels (MCL) and contamination remediation requirements.

2. APPLICABILITY

The WCRMA does not have a rate component and is applicable to all regulated Class A areas. Cal Water shall maintain the WCRMA by making entries at as follows:

- a. A debit entry shall be made to the WCRMA to record incremental costs.
- b. Interest shall accrue to the account by applying a rate equal to 1/12th of the most recent month's non-financial Commercial Paper Rate (prime, 90-day), as published in the Federal Reserve Statistical Release H-15 or its successor, to the average balance for each month.

3. DISPOSITION

Cost recovery shall be net of any previous expenses that were authorized to comply with previous remediation requirements that have been superseded as well as any reimbursements directly related to the projects and costs being accumulated in the WCRMA.

Cal Water will request Commission approval for recovery of the costs recorded in the WCRMA in accordance with General Order 96-B and standard practices, or by request in a formal proceeding.

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(To be inserted by utility)		Issued By	(To be inserted by CPUC)	
Advice Letter	<u>2588-A</u>	<u>Greg Milleman</u>	Date Filed	_____
Decision	<u>26-04-045</u>	<u>Vice President</u>	Effective	_____
		<u>Rates and Regulatory Affairs</u>	Resolution	_____