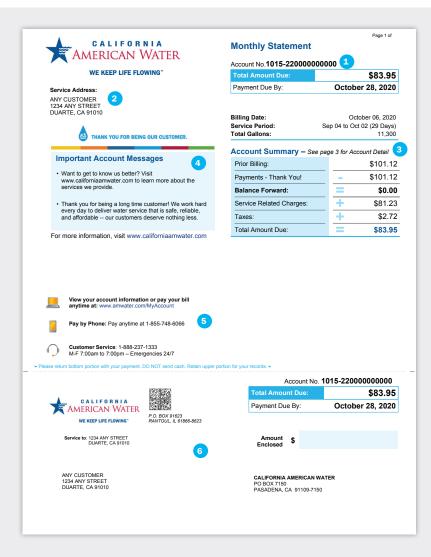


### YOUR SAMPLE BILL

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.



1 Customer Account Information

Your Account Number, Total Amount Due and Payment Due By date are easy to spot.

**2** Customer Contact Information

Customer name and address of the property receiving water service.

3 Account Summary

A summary of your water account, including the amount of your prior bill, any payments made in the past billing cycle and any remaining balance, as well as service-related charges, taxes and total amount due.

4 Important Account Messages

In this section we often include important notices and information pertaining to rates and other billing changes. Additional important messages can be found on page 2 of your bill.

5 Contact Information

Here you will find information about MyWater, paying your water bill by phone and our Customer Service Center.

6 Paymen

Detach this paystub and return with your payment. On this paystub, you will find the total amount due and bill due date. Total amount may include previous unpaid balances if payment was made after bill was issued. 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. Call 888-237-1333 for information on where to send requested documents. For office locations, please visit californiaamwater.com.



## 7 Meter Reading and Usage Summary

This section reports information about your meter, its number, size and the number of units billed in the billing period. A conversion for how many gallons are in 1 billing unit appears below the table. Your next scheduled meter reading on/or about date and type of account also appear here.

Actual and Estimated Reads: We strive to read every meter every month, but sometimes meters cannot be accessed and we estimate water usage based on historical data. Actual and estimated reads are noted in the "Previous Read" and "Current Read" fields.

About Meter Accuracy: Each meter is tested before it leaves the factory to ensure it is in compliance with stringent industry metering standards. As meters age, they may slow down and under-record the amount of water delivered. Most meters are replaced every 15–20 years.

# 8 Billed Usage History

This graph outlines your water usage during the past year and provides a comparison between the current month's usage and your usage the same month the year prior, if applicable.

# 9 Average Daily Use

Your average daily use of water is clearly indicated.

## **10** Understanding Your Bill

This section defines terms you may find on your water bill. If you have questions about your bill, please contact our customer service center at 888-237-1333, Monday – Friday, 7 a.m. to 7 p.m. For emergencies, we're available 24 hours a day. Information is also available at californiaamwater.com.

#### **ACCOUNT DETAIL**

# Prior Billing & Payments

The amount you owed 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.

### **Water Service**

- · Water Service Charge: A fixed service charge that corresponds with the size of your meter.
- <u>Water Usage Charge</u>: The volume-based charges are divided into 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.

#### 0ther Charges

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

- <u>Water Revenue Adjustment Mechanism and Modified Cost Balancing Account (WRAM/MCBA) Surcharge</u>: This surcharge is a rate-making mechanism approved by the CPUC. It ensures that California American Water does not over or under collect fixed costs needed to operate the water system. WRAM/MCBA also breaks the relationship between sales and revenue, removing any disincentive to implement conservation rates and programs. This ensures cost savings are passed on to ratepayers and reduces overall water consumption.
- Conservation Surcharge: This surcharge funds California American Water conservation initiatives and activities, including our rebate programs, landscape water surveys, free water-saving devices and program staff.
- Consolidated Expense Balancing Account: This surcharge tracks the over and under collection of certain CPUC-authorized costs. Items that this surcharge recovers include purchased water and power cost true-ups, and employee benefit costs.
- <u>Customer Assistance Program (CAP)</u>: This program allows eligible water and wastewater customers to apply for a monthly discount on their charges. California American Water customers who are not part of the customer assistance program help fund the program for customers facing financial difficulties. Qualified customers receive a discount of 20% or more for essential water use.
- <u>Purchased Water Offset</u>: This surcharge covers the cost of water from wholesalers and is based on your water usage over the billing period. If your usage increases, or decreases, you will notice a difference in surcharge cost proportionately. California American Water is in the process of installing water meters, helping to manage water use, and benefiting those who use water wisely.
- <u>SRF-based Surcharges</u>: Some districts have infrastructure funded through State Revolving Fund (SRF) grants and low interest loans. These surcharges recover the cost of the loan for repayment to the SRF.
- <u>Pass Through Charges (for Monterey District Customers)</u>: Revenue collection for Monterey Peninsula Water Management District (MPWMD), Pure Water Monterey recycled water and other third parties.
- <u>Intervenor Compensation</u>: This program reimburses individuals and groups that represent residential or small commercial companies during CPUC ratemaking proceedings for California American Water. This charge will appear occasionally on bills when the reimbursements have been approved by the CPUC.

### 14 Taxes

California American Water collects taxes on behalf of public agencies and then remits those funds to the taxing authorities. California American Water collects a tax to fund the CPUC from each customer and also collects franchise fees for city and county governments in most of its service areas to allow for operations in public right of ways. Franchise taxes are paid in addition to federal and state income taxes.