

PRELIMINARY STATEMENT  
(Continued)

Sheet 1

**W. Coastal Water Project Memorandum Account**

**1. PURPOSE:**

The purpose of the Coastal Water Project Memorandum Account is to track costs associated with the development of a new water supply in the Monterey Service Area. California American Water was granted a memorandum account in Decision No. 03-09-022. Per Decision No. 11-09-039 interest is to accrue at 4%. California American Water was authorized to keep this account open in D. 21-11-018. (N)

**2. APPLICABILITY:**

The Monterey Service Area which includes Monterey Main, Hidden Hills, Bishop, and Ryan Ranch

**3. ACCOUNTING PROCEDURE:**

The following entries will be recorded to the memorandum account:

- a. A debit entry equal to the amount of costs associated with the Coastal Water Project.
- b. A credit entry equal to the amount of surcharge collected to offset the costs associated with the Coastal Water Project.
- c. A debit or credit entry equal to interest on the balance in the account at the beginning of the month and half the balance after the above entries, at a rate equal to 4%.

**4. RATEMAKING PROCEDURE:**

In accordance with Decision (D). 18-12-021 there is currently no ratemaking component to the memorandum account. The Special Request 1 Surcharge shall remain at the 15% level until the full amount authorized for preconstruction costs is collected. (T)

(Continued)

(TO BE INSERTED BY UTILITY)

ISSUED BY

(TO BE INSERTED BY C.P.U.C.)

Advice 1353

J. T. LINAM

Date Filed 12/23/2021

Decision

DIRECTOR - Rates & Regulatory

Effective 03/04/2022

Resolution \_\_\_\_\_