



Proposed 2025-27 Infrastructure Investments and Water Rates

CUSTOMER SERVICE AREA

Golden State Water Company (Golden State Water) provides reliable, high-quality drinking water to more than 2,100 customers in Clearlake.

In August of 2023, Golden State Water Company (Golden State Water) filed its 2023 General Rate Case (GRC) with the California Public Utilities Commission. **This rate plan proposes local infrastructure investments and water rates for the years 2025, 2026 and 2027.**

Proposed rates continue to support our long-term commitment of providing our customers with high-quality water and reliable service, avoiding the costly and sometimes dangerous effects of deferring maintenance or delaying the replacement of aging infrastructure.

We never want customers to think twice about the quality of the water coming from their taps.

LOCAL WATER INFRASTRUCTURE INVESTMENTS

The rates proposed for 2025-2027 will provide customers with long-term value by investing over **\$6.2 million** in proactive capital investments and maintenance of local water infrastructure essential to the delivery and treatment of reliable, quality water.

Investments in the Clearlake Service Area include but are not limited to renovations and modifications to plant facilities and a water treatment plant, the replacement of aging mains and meters, pumping and purification equipment, and systemwide investments in SCADA technology essential to ensure that treated lake water meets federal and state drinking water standards.

RATE-MAKING PRINCIPLES



Prioritize the safety and dependability of the local water system



Protect the environment by reducing the company's carbon footprint and its energy demands



Mitigate the impact climate change will have on future water supplies by replacing deteriorating water infrastructure and increasing water storage.



Uphold the fundamental right of every Californian to access safe, clean and affordable water





Proactive Investments in Water Quality & Reliability Provide Customers Long-Standing Value



UNDERSTANDING THE RATE-MAKING PROCESS

As a state-regulated utility, Golden State Water must submit a General Rate Case (GRC) application every three years, as set forth by the California Public Utilities Commission (CPUC). For example, the 2020 GRC introduced rates for 2022-24, and three years later, the 2023 GRC application introduces rates for 2025-27. The 2023 GRC is an 18-month process that coincides with the expiration of current rates on Dec. 31, 2024. The CPUC requires reasonable rates that reflect the total cost of providing water service, maintaining the infrastructure, and making needed system improvements.

The rate-making process is open and transparent with opportunities for customers to offer public comments. The Commission's Public Advocates Office is charged with ensuring the lowest possible rates without compromising public health and safety. Golden State Water shared a notice of the proposed rates with customers and in local newspapers.

To learn more about the rate-making process, visit gswater.com/rates2025-27.

PROPOSED 2025 RATES

Customer bills are determined based on the cost-of-service, maintenance, and investments required to maintain a reliable and quality water system. Other factors include but are not limited to, regulatory costs and taxes, inflation, rising energy and fuel costs, and increasing construction costs to replace aging infrastructure.

Golden State Water supports the "consolidated rate" plan that would not increase rates in 2025. If the CPUC approves the "non-consolidate" rate plan, any adjustments to current rates would not go into effect until January 2025, at the earliest.

CONSOLIDATED *If the CPUC approves consolidating the water system into a larger rate-making area.*



The average **residential** customer with a 5/8 x 3/4" meter using 3,740 gallons (500 cubic feet or 5 Ccf) per month **will not see their 2023 monthly bill of \$106.17 increase in 2025** (excluding any applicable surcharges).



The average **commercial** customer with a 5/8 x 3/4" meter using 12,716 gallons (1,700 cubic feet or 17 Ccf) per month **will not see their 2023 monthly bill of \$231.52 increase in 2025** (excluding any applicable surcharges).

NON-CONSOLIDATED



The average **residential** customer with a 5/8 x 3/4" meter using 3,740 gallons (500 cubic feet or 5 Ccf) per month will see their 2023 monthly bill increase from **\$106.17 to \$130.23** in 2025, at the earliest (excluding any applicable surcharges).



The average **commercial** customer with a 5/8 x 3/4" meter using 12,716 gallons (1,700 cubic feet or 17 Ccf) per month will see their 2023 monthly bill increase from **\$231.52 to \$284.38** in 2025, at the earliest (excluding any applicable surcharge).

RATE ASSISTANCE FOR QUALIFIED CUSTOMERS

Golden State Water offers a monthly credit for low-income customers who qualify for the Customer Assistance Program (CAP). Customers with questions about the CAP program or eligibility are encouraged to visit gswater.com/post/customer-assistance-program or call the CAP Hotline at **866.360.2279**.