

**WATER SUPPLY COST ADJUSTMENT FACTOR  
FOR JANUARY THROUGH JUNE 2025**

Ord. Ref.

<u>Estimated Expenditures for Each of the Water Supply Sources for the 12-month Period commencing January 1, 2025</u>			<u>Source</u>
Sec.3.F.2.(a)	Los Angeles Aqueduct	\$98,860,513	Schedule A
Sec.3.F.2.(b)	Purchased Water	\$224,169,504	Schedule A
Sec.3.F.2.(c)	Groundwater	\$93,809,421	Schedule A
Sec.3.F.2.(d)	Recycled Water	\$21,450,291	Schedule A
Sec.3.F.2.(e)	Water Conservation	\$22,747,939 *	Schedule A
	Adjustment Account Ending Balance as of June 30, 2024	\$96,675,958	
Sec.3.F.3.	<u>Estimated Production Units (in HCF) of Water Supply Sources for the 12-month Period commencing January 1, 2025</u>		
	Los Angeles Aqueduct	88,840,542	
	Purchased Water	57,078,945	
	Groundwater	28,467,072	
	Recycled Water	5,569,524	
	Water Conservation (Total Sales excluding Schedule D)	176,744,706	
	Over/Under Balance (Total Sales excluding Schedule D)	176,744,706	
	<u>Unit Price for Each of the Water Supply Sources (\$/HCF)</u>		
Sec.3.F.3.(a)	Los Angeles Aqueduct	\$ 1.113	
Sec.3.F.3.(b)	Purchased Water	\$ 3.927	
Sec.3.F.3.(c)	Groundwater	\$ 3.295	
Sec.3.F.3.(d)	Recycled Water	\$ 3.851	
Sec.3.F.3.(f)	Water Conservation (Total Sales excluding Schedule D)	\$ 0.129 **	
Sec.3.F.3.(g)	Over/Under Balance (Total Sales excluding Schedule D)	\$ 0.547	
Sec.3.F.4.	<u>Sources of Supply starting from Least Expensive to Most Expensive (S1 to S4)</u>		
	S1 = LA Aqueduct	49.368% \$ 1.113	
	S2 = Groundwater	15.819% \$ 3.295	
	S3 = Recycled Water	3.095% \$ 3.851 ***	
	S4 = Purchased Water	31.718% \$ 3.927	
Sec.3.F.5.	<u>Customer Usage (Sales) by Tier, excluding Schedule D</u>		
	Tier 1	74.163% 131,079,057	
	Tier 2	16.601% 29,341,194 ***	
	Tier 3	5.997% 10,598,987	
	Tier 4	3.239% 5,725,468	
Sec.3.F.5.	<u>Water Supply Cost Adjustment Factor for each Tier before Water Conservation and Over/Under Balance</u>		
	Tier 1 = (49.368%/74.163%*1.113) + (15.819%/74.163%*3.295) + (3.095%/74.163%*3.851) + (5.881%/74.163%*3.927)	\$ 1.916	
	Tier 2 = (16.601%/16.601%*3.927)	\$ 3.927	
	Tier 3 = (5.997%/5.997%*3.927)	\$ 3.927	
	Tier 4 = (3.239%/3.239%*3.927)	\$ 3.927	
Sec.3.F.5.	<u>Water Supply Cost Adjustment Factor for Each Tier</u>		
	<b>Tier 1</b>	<b>\$2.591</b>	
	<b>Tier 2</b>	<b>\$4.603</b>	
	<b>Tier 3</b>	<b>\$4.603</b>	
	<b>Tier 4</b>	<b>\$4.603</b>	

\* Consistent with the Water System financial plan that assumes no securitization.

\*\* Conservation cost per HCF of water to be sold not conserved.

\*\*\*Total percentage may not equal sum of parts due to rounding.

**WATER QUALITY IMPROVEMENT ADJUSTMENT FACTOR  
FOR JANUARY THROUGH JUNE 2025**

Ord. Ref.	<u>Estimated Expenditures for Each of the Water Quality Cost Types for the 12-month Period commencing</u>		
	<u>January 1, 2025</u>		<u>Source</u>
	Water Quality Capital Expenditures	\$97,478,340	*
	Water Quality Operation and Maintenance (O&M) Expenses	\$165,329,300	Schedule B
	Water Quality Debt Service	\$122,043,044	Schedule B
Sec.3.G.2.(a)	Estimated Water Quality Expenditures Subtotal	\$384,850,684	
Sec.3.G.2.(b)	<u>Adjustment Account Ending Balance as of June 30, 2024</u>	\$692,001	
	<u>Estimated Retail Water Sales in HCF for the 12-month Period, Less Schedule D,</u>		
Sec.3.G.2.(c)	<u>commencing January 1, 2025</u>	176,744,706	
	<b>Water Quality Improvement Adjustment Factor (WQIAF)</b>	<b>\$2.181</b>	

\* Consistent with the Water System financial plan that assumes no securitization.

**OWENS VALLEY REGULATORY ADJUSTMENT FACTOR  
FOR JANUARY THROUGH JUNE 2025**

Ord. Ref.

<u>Estimated Expenditures for Each of the Owens Valley Regulatory Cost Types for the 12-month Period commencing</u>		<u>Source</u>
<u>January 1, 2025</u>		
	Owens Valley Capital Expenditures	\$7,697,880 * Schedule C
	Owens Valley Operation and Maintenance (O&M) Expenses	\$42,402,700
	Owens Valley Debt Service	<u>\$17,176,842</u>
Sec.3.K.2.(a)	Estimated Owens Valley Expenditures Subtotal	\$67,277,422
Sec.3.K.2.(b)	<u>Adjustment Account Ending Balance as of June 30, 2024</u>	\$29,967,498
Sec.3.K.2.(c)	<u>Estimated Retail Water Sales in HCF for the 12-month Period, Less Schedule D,</u> <u>commencing January 1, 2025</u>	176,744,706
	<b>Owens Valley Regulatory Adjustment Factor (OVRAF)</b>	<b>\$0.550</b>

\* Consistent with the Water System financial plan that assumes no securitization.

**BASE RATE REVENUE TARGET ADJUSTMENT FACTOR  
FOR JANUARY THROUGH DECEMBER 2025**

Ord. Ref.		
Sec.3.H.2.	<u>BRRTAF for Schedule A</u>	
Sec.3.H.3.	BRRTA Account Balance for Schedule A as of June 30, 2024	\$122,888,142
	Estimated Retail Water Sales in HCF for Schedule A for the 12-month Period commencing January 1, 2025	<u>67,761,116</u>
	<b>Base Rate Revenue Target Adjustment Factor <sub>A</sub> (BRRTAF <sub>A</sub>)</b>	<b>\$1.814</b>
Sec.3.H.2.	<u>BRRTAF for Schedule B</u>	
Sec.3.H.4.	BRRTA Account Balance for Schedule B as of June 30, 2024	\$44,214,841
	Estimated Retail Water Sales in HCF for Schedule B for the 12-month Period commencing January 1, 2025	<u>57,218,258</u>
	<b>Base Rate Revenue Target Adjustment Factor <sub>B</sub> (BRRTAF <sub>B</sub>)</b>	<b>\$0.773</b>
Sec.3.H.2.	<u>BRRTAF for All Other Rate Schedules (Others)</u>	
Sec.3.H.5.	BRRTA Account Balance for Others as of June 30, 2024	\$5,706,124
	Estimated Retail Water Sales in HCF for Others for the 12-month Period commencing January 1, 2025 (Less Schedule D )	<u>51,765,332</u>
	<b>Base Rate Revenue Target Adjustment Factor <sub>Others</sub> (BRRTAF <sub>Others</sub>)</b>	<b>\$0.110</b>

**WATER EXPENSE STABILIZATION ADJUSTMENT FACTOR  
FOR JANUARY THROUGH DECEMBER 2025**

Ord. Ref.

Sec.3.S.2.(a)	<u>Adjustment Account Ending Balance as of June 30, 2024</u>	\$3,923,462
Sec.3.S.2.(b)	<u>Estimated Expense for Legal Costs and Settlements for the 12-month Period commencing January 1, 2025</u>	\$3,746,692
Sec.3.S.2.(c)	<u>Estimated Retail Water Sales in HCF for the 12-month Period, Less Schedule D, commencing January 1, 2025</u>	176,744,706
	<b>Water Expense Stabilization Adjustment Factor (WESAF)</b>	<b>\$0.043</b>

**SURCHARGE FOR WATER SERVICE  
OUTSIDE THE CITY OF LOS ANGELES  
FOR JANUARY THROUGH DECEMBER 2025**

Current cost per acre foot of MWD Tier II treated water delivered to the City	\$1,395.00
Average cost of water per acre foot of water delivered to the City through the Los Angeles Aqueducts for the previous five years 2019-20 to 2023-24	<u>\$1,259.44</u>
Difference per acre foot (A)	<u>\$135.56</u>
Per hundred cubic feet ( A / 435.6)	<b>\$0.311</b>
<b>Outside City Surcharge</b>	<b>\$0.311</b>

The previous surcharges for service outside the City of Los Angeles:

January 1 to December 31, 2024	\$0.622
January 1 to December 31, 2023	\$0.991
January 2 to December 31, 2022	\$0.744
January 1 to December 31, 2021	\$0.665
January 1 to December 31, 2020	\$0.419
January 1 to December 31, 2019	\$0.000
January 1 to December 31, 2018	\$0.000
January 1 to December 31, 2017	\$0.000
January 1 to December 31, 2016	\$0.441