

**WATER SUPPLY COST ADJUSTMENT FACTOR
FOR JULY THROUGH DECEMBER 2025**

Ord. Ref.

<u>Estimated Expenditures for Each of the Water Supply Sources for the 12-month Period commencing July 1, 2025</u>			<u>Source</u>
Sec.3.F.2.(a)	Los Angeles Aqueduct	\$109,593,296	Schedule A
Sec.3.F.2.(b)	Purchased Water	\$245,712,500	Schedule A
Sec.3.F.2.(c)	Groundwater	\$101,113,979	Schedule A
Sec.3.F.2.(d)	Recycled Water	\$25,153,525	Schedule A
Sec.3.F.2.(e)	Water Conservation	\$31,095,251 *	Schedule A
	Adjustment Account Ending Balance as of December 31, 2024	(\$3,984,643)	
Sec.3.F.3.	<u>Estimated Production Units (in HCF) of Water Supply Sources for the 12-month Period commencing July 1, 2025</u>		
	Los Angeles Aqueduct	79,795,872	
	Purchased Water	63,620,996	
	Groundwater	35,230,827	
	Recycled Water	5,381,005	
	Water Conservation (Total Sales excluding Schedule D)	180,744,647	
	Over/Under Balance (Total Sales excluding Schedule D)	180,744,647	
	<u>Unit Price for Each of the Water Supply Sources (\$/HCF)</u>		
Sec.3.F.3.(a)	Los Angeles Aqueduct	\$ 1.373	
Sec.3.F.3.(b)	Purchased Water	\$ 3.862	
Sec.3.F.3.(c)	Groundwater	\$ 2.870	
Sec.3.F.3.(d)	Recycled Water	\$ 4.675	
Sec.3.F.3.(f)	Water Conservation (Total Sales excluding Schedule D)	\$ 0.172 **	
Sec.3.F.3.(g)	Over/Under Balance (Total Sales excluding Schedule D)	\$ (0.022)	
Sec.3.F.4.	<u>Sources of Supply starting from Least Expensive to Most Expensive (S1 to S4)</u>		
	S1 = LA Aqueduct	43.361% \$ 1.373	
	S2 = Groundwater	19.144% \$ 2.870	
	S3 = Purchased Water	34.571% \$ 3.862 ***	
	S4 = Recycled Water	2.924% \$ 4.675	
Sec.3.F.5.	<u>Customer Usage (Sales) by Tier, excluding Schedule D</u>		
	Tier 1	74.163% 134,045,530	
	Tier 2	16.601% 30,005,219 ***	
	Tier 3	5.997% 10,838,855	
	Tier 4	3.239% 5,855,042	
Sec.3.F.5.	<u>Water Supply Cost Adjustment Factor for each Tier before Water Conservation and Over/Under Balance</u>		
	Tier 1 = $(43.361\%/74.163\% \times 1.373) + (19.144\%/74.163\% \times 2.870) + (11.658\%/74.163\% \times 3.862)$	\$ 2.151	
	Tier 2 = $(16.601\%/16.601\% \times 3.862)$	\$ 3.862	
	Tier 3 = $(5.997\%/5.997\% \times 3.862)$	\$ 3.862	
	Tier 4 = $(0.315\%/3.239\% \times 3.862) + (2.924\%/3.239\% \times 4.675)$	\$ 4.595	
Sec.3.F.5.	<u>Water Supply Cost Adjustment Factor for Each Tier</u>		
	Tier 1	\$2.301	
	Tier 2	\$4.012	
	Tier 3	\$4.012	
	Tier 4	\$4.745	

* 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 JULY THROUGH DECEMBER 2025**

Ord. Ref.

<u>Estimated Expenditures for Each of the Water Quality Cost Types for the 12-month Period commencing July 1, 2025</u>		<u>Source</u>
	Water Quality Capital Expenditures	\$175,888,000 *
	Water Quality Operation and Maintenance (O&M) Expenses	\$170,696,000 Schedule B
	Water Quality Debt Service	\$124,547,417 Schedule B
Sec.3.G.2.(a)	Estimated Water Quality Expenditures Subtotal	<u>\$471,131,417</u>
Sec.3.G.2.(b)	<u>Adjustment Account Ending Balance as of December 31, 2024</u>	(\$29,592,102)
<u>Estimated Retail Water Sales in HCF for the 12-month Period, Less Schedule D,</u>		
Sec.3.G.2.(c)	<u>commencing July 1, 2025</u>	180,744,647
	Water Quality Improvement Adjustment Factor (WQIAF)	\$2.443

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

**OWENS VALLEY REGULATORY ADJUSTMENT FACTOR
FOR JULY THROUGH DECEMBER 2025**

Ord. Ref.

<u>Estimated Expenditures for Each of the Owens Valley Regulatory Cost Types for the 12-month Period commencing July 1, 2025</u>		<u>Source</u>
	Owens Valley Capital Expenditures	\$22,356,800 * Schedule C
	Owens Valley Operation and Maintenance (O&M) Expenses	\$47,356,000
	Owens Valley Debt Service	\$17,180,394
Sec.3.K.2.(a)	Estimated Owens Valley Expenditures Subtotal	\$86,893,194
Sec.3.K.2.(b)	<u>Adjustment Account Ending Balance as of December 31, 2024</u>	\$11,597,049
Sec.3.K.2.(c)	<u>Estimated Retail Water Sales in HCF for the 12-month Period, Less Schedule D, commencing July 1, 2025</u>	180,744,647
	Owens Valley Regulatory Adjustment Factor (OVRAF)	\$0.545

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

**WATER INFRASTRUCTURE ADJUSTMENT FACTOR
FOR JULY THROUGH DECEMBER 2025**

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Estimated Expenditures for Each of the Water Infrastructure Cost Types for the 12-month Period commencing
July 1, 2025

Source

	Water Infrastructure Capital Expenditures	\$363,620,000	Schedule D
	Water Infrastructure Debt Service	\$54,595,849	
Sec.3.R.2.(a)	Total Estimated Water Infrastructure Expenditures	<u>\$418,215,849</u>	
Sec.3.R.2.(b)	<u>Adjustment Account Ending Balance as of December 31, 2024</u>	\$106,007,542	
Sec.3.R.2.(c)	<u>Estimated Retail Water Sales in HCF for the 12-month Period, Less Schedule D, commencing July 1, 2025</u>	180,744,647	
	Water Infrastructure Adjustment Factor (WIAF)	\$2.900	