

APPLE VALLEY RANCOS WATER COMPANY

Utility Name	Balancing Account Name	Balancing Account Description	Authorizing Decision or Resolution or Advice Letter	Balance as of End of December 31, 2020 ¹	Balance as of End of June 30, 2021 ¹	Most Recent Conducted Review/Audit	Notes or Comments	(1) Authorize Recovery Amount	% of Total Balance	(2) 25th Percentile*	(3) % Change	(4) No. Review Past 3 Years		
Liberty Utilities Apple Valley Ranchos Water Corp.	Total Number of Connections per 2020 Annual Report is 20,931													
Domestic Service	2012 & Prior WRAM/MCBA	Tracks water revenues and water production related costs for future disposition	D.08.09.026 effective September 18, 2008 and D.12-04-048 effective April 19, 2012			AL 182-W	Balance is fully amortized as of December 2014.							
	2013 WRAM/MCBA						AL 190-W-A	AL 190-W-A authorized an 18-month temporary surcharge, effective July 2, 2014. Balance is fully amortized.						
	2014 WRAM/MCBA						AL 196-W-A	AL 196-W-A authorized an 18-month temporary surcharge, effective June 24, 2015. Using FIFO, the balance was fully amortized in 2019.						
	2015 WRAM/MCBA						AL 217-W	AL 217-W authorized a 12-month temporary surcharge, effective May 1, 2016. Using FIFO, the balance was fully amortized in 2019.						
	2016 WRAM/MCBA					(\$173,601.67)	(\$173,662.44)	AL 223-W-A	AL 223-W-A authorized a 12-month temporary surcharge, effective May 1, 2017.					
	2017 WRAM/MCBA					(\$252,724.48)	(\$252,812.94)	AL 228-W	AL 228-W authorized a 17-month temporary surcharge, effective May 22, 2018.					
	2018 WRAM/MCBA					(\$57,088.24)	(\$56,865.41)	AL 234-W-A	Effective March 1, 2020, Advice Leter 234- W-A approved a one-time surcredit to refund the over collection in the WRAM and MCBA as of December 31, 2018.		0.00%			
	2019 WRAM/MCBA					(\$360,260.73)	(\$360,759.08)	Future Advice Letter Filing	Future Advice Letter Filing					
	2020 WRAM/MCBA					\$315,824.00	\$520,253.57	Future Advice Letter Filing	Future Advice Letter Filing					
	2021 WRAM/MCBA						\$593,107.71	Future Advice Letter Filing	Future Advice Letter Filing			7.01%	151.01%	N/A

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	Incremental Cost BA	Tracks water production costs for the domestic system; includes purchased power and pump tax	D.03.06.072; June 19, 2003	(\$84,112.27)	\$0.00	A.18-01-002, D.20-09-2019	AL 248-W authorized transfer balance to CEBA for a 12-month temporary surcharge, effective March 4, 2021.			0.00%	-100.00%	N/A
	CARW Revenue Reallocation BA	Tracks recorded discounts and surcharges	D.05.12.020; December 15, 2005/D.08.09.026; September 18, 2008/D.12.09.004; September 13, 2012/D.15.11.030; November 19, 2015	(\$1,517,479.82)	(\$1,125,395.06)	A.18-01-002, D.20-09-2019	AL 245-W authorized the under-collected balance recorded through December 31, 2017 be embedded in the surcharge rate for Schedule No. CARW-SC, effective November 20, 2020.			-30.18%	-25.84%	N/A
	Office Remodel BA	Tracks the revenue requirement associated with the building project, a reconfigured building project, a reconfigured office building or other improvements	D.12.09.004; September 13, 2012	\$0.00	\$0.00							
	Employee and Retiree Healthcare BA	Tracks the difference between the actual forecast and the authorized costs of employee and retiree healthcare expense	D.12.09.004; September 13, 2012/D.15.11.030; November 19, 2015	\$611,243.08	\$1,065,734.05	A.18-01-002, D.20-09-2019	AL 248-W authorized a 12-month temporary surcredit, effective March 4, 2021.	1,100,344	103.25%	117.78%	74.36%	N/A
	Pension Expense BA	Tracks the difference between actual and authorized pension expense	D.12.09.004; September 13, 2012/D.15.11.030; November 19, 2015	(\$915,970.40)	(\$1,523,715.70)	A.18-01-002, D.20-09-2019	AL 248-W authorized a 12-month temporary surcredit, effective March 4, 2021.	1,008,299	-66.17%	-40.86%	66.35%	N/A
	One-Way Conservation BA	Tracks the difference between actual and authorized conservation program expenses	D.12.09.004; September 13, 2012/D.15.11.030; November 19, 2015	\$293,572.65	\$356,669.92	A.18-01-002, D.20-09-2019	AL 248-W authorized to close account for rate cycle 2015-2017, effective March 4, 2021. AL 245-W authorized account to track conservation expenditures for rate cycle 2019-2021.			25.08%	21.49%	N/A
	Consolidated Expense Balancing Account (CEBA)	Consolidates the amortization of Commission approved balancing accounts and memorandum accounts where appropriate	D.20-09-2019		(\$811,493.51)	A.18-01-002, D.20-09-2019	AL 248-W authorized a 12-month temporary surcharge, effective March 4, 2021.	(1,069,687)	131.82%	-21.76%		

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Yermo	Yermo Water Revenue Balancing Account	Tracks the difference between actual and authorized revenue requirement for the 2019-2021 rate cycle.	D.20-09-019, September 24, 2020	(\$403,081.33)	(\$475,717.72)	A.18-01-002, D.20-09-2019	AL 245-W authorized the establishment of the Yermo Water Revenue Balancing Account ("YWRBA").			-12.76%		
Irrigation Service	Incremental Cost BA	Tracks gravity irrigation incremental costs	D.03.006.072/ AL 183 effective April 26, 2013	(\$74,253.32)	(\$62,358.15)	A.18-01-002, D.20-09-2019	AL 248-W authorized a 12-month temporary surcharge, effective March 4, 2021.	42,992	-68.94%	-1.67%	-16.02%	N/A
				(\$2,617,932.53)	(\$2,307,014.76)							
	2020 Authorized Revenue Requirement- Domestic		D.15.11.030	\$23,740,760		AL 246-W	AL 246-W authorized 2020 revenue requirement for the 2020 Escalation Year increase, effective November 20, 2020					
	2020 Authorized Revenue Requirement- Irrigation		D.15.11.030	\$201,460		AL 246-W						
¹ A positive balance reflects an overcollection. A negative balance reflects an under-collection.												
				(\$3,838,572.26)	(\$3,729,418.73)							
				\$904,815.73	\$1,422,403.97							
				(\$2,933,756.53)	(\$2,307,014.76)							