

PRELIMINARY STATEMENT

A. Territory Served by the Utility

The area in which service is or will be furnished by this Utility under its main extension rule is described below and is delineated on the service area map(s) shown on or attached to the tariff sheet(s) following.

The Utility serves in two general areas as shown on the service area maps contained herein.

The San Jose Hills Service Area includes the territory in or near portions of Covina, West Covina, Walnut, La Puente, Glendora, Hacienda Heights, and adjacent unincorporated areas in Los Angeles County. (T)

The Whittier/La Mirada Service Area includes the territory in or near portions of Whittier, La Mirada, and adjacent unincorporated areas in Los Angeles County, and Buena Park, La Habra, and adjacent unincorporated areas in Orange County. (T)

B. Types and Classes of Service

The types and classes of service furnished are set forth in each rate schedule under the designation "Applicability".

C. Description of Service

The characteristics of the service furnished are indicated in Rule No. 2, Description of Service.

D. Procedure to Obtain Service

Service as described herein will be furnished to any person or corporation whose premises are within the Utility's service area, provided application is made in accordance with Rule No. 3, Application for Service; credit is established as required in Rule No. 6, Establishment and Re-establishment of Credit; customer's piping and valves are installed as required in Rule No. 16, Service Connections, Meters, and Customer's Facilities, under "Customer's Responsibility"; and a contract is signed in those certain circumstances specified in Rule No. 4, Contracts.

Where an extension of the Utility's mains is necessary Rule No. 15, Main Extensions, applies, and if the project is of a temporary or speculative nature, Rule No. 13, Temporary Service, is applicable.

Applicants for service and customers must also conform to and comply with the other established rules as provided herein.

(Continued)

(To be inserted by utility)

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Advise Letter No. 248-W

Robert L. Kelly

Date Filed AUG 28 2006

Decision No. D. 06-08-017

Vice President

Effective AUG 29 2006

Title

Resolution No. _____

PRELIMINARY STATEMENT
(Continued)

E. Military Family Relief Program (MFRP) Memorandum Account

1. The Company shall establish a Memorandum Account to provide for review and potential future recovery of reduced revenues resulting from implementation of its MFRP as described in Rule Number 22.
2. Charges to the Memorandum Account shall consist of MFRP uncollectibles and the costs of publishing related notices and applications plus interest consistent with Commission Memorandum Account Procedures.
3. Credits to the Memorandum Account shall consist of amounts recovered through authorized surcharge collections plus interest consistent with Commission Memorandum Account Procedures.
4. The Company shall include cumulative balances in this Memorandum Account in its annual request for account review required by Commission Decision 03-06-072.

F. Water Revenue Adjustment Mechanism (WRAM) Balancing Accounts

1. PURPOSE:
The purpose of the WRAM Balancing Accounts are: 1) to track differences between recorded quantity rate water revenues received under conservation rates to the equivalent rate revenue that would have been received if Suburban had single quantity rates, known as uniform rates, for residential customers; the Commission has determined that the accounting mechanism is appropriate in coordination with a trial program of increasing block rate structures and increased conservation activities; the trial program will be reviewed in Suburban's General Rate Case proceedings, and 2) to track drought surcharges associated with the water shortage contingency plan. (T)
2. APPLICABILITY:
The WRAM Balancing Accounts apply to all areas served. (T)
3. DEFINITION:
 - a. Non WRAM revenue is all revenue excluded from the WRAM account, including metered service charges, non residential quantity charges, public and private fire protection service, and other unmetered miscellaneous revenue. In addition, surcharges and surcredits, unless specifically included in adopted revenue requirement, are excluded from WRAM accounting. (T)
 - b. WRAM -eligible revenue is all revenue not excluded in 3.a, above. Generally, WRAM eligible revenue results from potable quantity charges to residential customers, and drought surcharges associated with the water shortage contingency plan. (T)

(Continued)

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Title

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Resolution No.

PRELIMINARY STATEMENT
(Continued)

F. Water Revenue Adjustment Mechanism (WRAM) Balancing Accounts
(Continued)

- c. Recorded WRAM-eligible revenue is the amount of residential metered usage-related revenue billed to residential customers in a particular period, and the amount of drought surcharges in a particular period associated with the water shortage contingency plan. (T)
|
(T)
- d. Adopted WRAM-eligible revenue is the equivalent amount of residential metered usage-related revenue calculated at uniform rates using actual quantity sold (uniform rates are defined as those single quantity rates which are designed to result in residential revenue equivalent to the conservation rates, when both calculations are computed based on adopted quantities).

4. ACCOUNTING PROCEDURE:

- a. The following entries will be recorded monthly in U.S. dollars (\$) to each service area's WRAM Balancing Account:
 - 1. Recorded WRAM-eligible revenue
 - 2. Adopted WRAM-eligible revenue
 - 3. Total net WRAM balance = (1) minus (2)
- b. The Company will record the accumulated WRAM balance monthly, by adding its entry in section a.3. to the prior accumulated monthly balance, and apply the interest to the average net balance in the WRAM account at a rate equal to one twelfth the interest rate on three month Commercial Paper for the previous month as reported in the Federal Reserve.
- c. If the combined net accumulated balance for the WRAM exceeds 2% of the total recorded revenue requirement for the prior calendar year, the Company will file an advice letter to amortized the WRAM balance.
- d. The recovery of under-collections or refunds of over-collections will be passed on to the ratepayers through volumetric surcharges or surcredits.
- e. The Company will establish separate Balancing Accounts for each of its two service areas – San Jose Hills and Whittier/La Mirada.

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Resolution No.

PRELIMINARY STATEMENT
(Continued)

G. Cost of Capital Litigation Memorandum Account (D)
(N)
The Cost of Capital Litigation Memorandum Account includes the incremental costs |
incurred by the Company limited to incremental non-employee resources engaged in |
litigating the 2012 Cost of Capital. These costs are eligible for recovery in the next |
general rate case amortized over the life of the rate case cycle after the Company |
makes a persuasive showing in the next general rate case that the costs were |
incremental, reasonable, and prudently controlled and managed. (N)

H. Low Income Customer Data Sharing Memorandum Account (D)
(T)

1. PURPOSE: The purpose of the Low Income Customer Data Sharing Memorandum Account is to track the one time and ongoing data sharing costs in compliance with D.11-05-020.
2. APPLICABILITY: The Low Income Customer Data Sharing Memorandum Account applies to all areas served.
3. ACCOUNTING PROCEDURE:
Suburban Water Systems was granted a Memorandum Account in D.11-05-020:
 - a) A debit entry equal to the amount of costs associated with one time, and ongoing data sharing costs.
 - b) A credit entry to any rate recovery authorized by the C.P.U.C.

I. Symbols (T)

Whenever tariff sheets are refiled, changes will be identified by the following symbols:

- (C) To signify changed listing, rule or condition which may affect rates or charges.
- (D) To signify discontinued materials, including listing, rate, rule or condition.
- (I) To signify increase.
- (L) To signify material relocated from or to other part of tariff schedules with no change in text, rate, rule or condition.
- (N) To signify new material including listing, rate, rule or condition.
- (R) To signify reduction.
- (T) To signify change in wording of text but not change in rate, rule or condition.

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Advise Letter No. 291-W

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Effective APR 26 2012

Resolution No.

Suburban Water Systems
1325 N. Grand Ave., Ste. 100
Covina, CA 91724-4044

Revised
Canceling Revised

Cal. P.U.C. Sheet No. 1393-W
Cal. P.U.C. Sheet No. 1391-W

PRELIMINARY STATEMENT
(Continued)

J. 2013 Cost of Capital Memorandum Account

1. PURPOSE: The purpose of the 2013 Cost of Capital Memorandum Account is to track the difference between the revenues billed under the rates in effect on January 1, 2013 as authorized pursuant to Advice Letter 295-W and revenues that would have been billed under the rates adopted by the Commission in Application (A.) 12-05-004.
2. The effective date of 2013 Cost of Capital Memorandum Account is January 1, 2013, and will terminate upon the implementation of Commission's final decision in A.12-05-004.
3. The disposition of balances in the 2013 Cost of Capital Memorandum Account will be determined by the final decision in A.12-05-004.

K. Reservoir 216 Land Exchange Memorandum Account

(N)

1. PURPOSE: In compliance with Division of Water and Audit (DWA) letter dated March 25, 2013, DWA's analysis, criteria no. 3, Suburban has established a Reservoir 216 Land Exchange Memorandum Account in order to track the disposition of net proceeds from the land exchange transaction, including a two-year lease provision during the construction period, when Suburban will be operating the Plant 216 Reservoir on the Suburban property at the same time Suburban is constructing the replacement reservoir on the Cal Domestic parcel.
2. When Suburban began preparing for the land swap it became aware of certain deed restrictions on the Suburban parcel that could delay the land swap with Cal Domestic. If those restrictions cannot be removed to the satisfaction of Cal Domestic, this issue could prohibit the land exchange from taking place and will require Suburban to lease Cal Domestic's property long term. Suburban has briefed DRA on the current status of the land exchange, including the possible unavoidable alternative of Suburban leasing Cal Domestic's property long term. DRA agreed not to protest advice letter 297-W.
3. The effective date of Reservoir 216 Land Exchange Memorandum Account is April 1, 2013 which is the date of Advice Letter 298-W was filed.
4. The disposition of net proceeds less the two-year land lease cost in the memorandum account will be deducted from Suburban rate base and will be addressed by the Commission in the next rate case subsequent to the land exchange transaction closing or other applicable proceeding before the Commission.

(N)

(To be inserted by utility)

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Resolution No.

Suburban Water Systems
1325 N. Grand Ave., Ste. 100
Covina, CA 91724-4044

Revised
Canceling Original

Cal. P.U.C. Sheet No. 1471-W
Cal. P.U.C. Sheet No. 1425-W

PRELIMINARY STATEMENT
(Continued)

L. Employee Healthcare (EH) Balancing Account

(D)
(N)

1. PURPOSE:

The purpose of this balancing account is to record and recover the difference between the adopted forecast and the actual costs of employee healthcare expenses beginning January 1, 2015. Suburban Water Systems ("Suburban") will file a tier one Advice Letter to request recovery of the balance or request recovery in Suburban's next general rate case application. The authority to establish this account was granted in Decision 14-12-038, dated December 18, 2014.

2. ACCOUNTING PROCEDURE:

- a. The following entries will be made monthly to the EH Balancing Account:
 - 1. Recorded employee healthcare expense
 - 2. Adopted employee healthcare expense
 - 3. Net employee healthcare balance = (1) minus (2)
- b. The company will record the accumulated EH balance monthly, by adding its entry in section a.3. to the prior accumulated monthly balance, and apply the interest to the average net balance in the EH balancing account at a rate equal to one twelfth the interest rate on three month Non-Financial Commercial Paper as reported in the Federal Reserve Statistical Release.

(N)

(Continued)

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Advise Letter No. 309-W

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Decision No. 14-12-038

Vice President
Title

Effective JAN - 1 2015

Resolution No.

PRELIMINARY STATEMENT
(Continued)

M. Mandatory Conservation Memorandum Account (MCMA)

1. PURPOSE: The purpose of this MCMA is to track the incremental costs, penalties associated with the implementation of mandatory conservation and water rationing moratoria through Rule No. 14.1 and Schedule No. 14.1 pursuant to California Public Utilities Commission's Resolution W-5000. (T)
2. APPLICABILITY:
 - i. The MCMA applies to all areas served by Suburban Water Systems.
 - ii. The MCMA with track:
 - a. Incremental operating and administrative costs associated with the implementation of mandatory conservation measures under Rule No. 14.1 and Schedule No. 14.1, (T)
 - b. Penalties paid by the customers, or other compliance measures associated with water use violations, and |
 - c. Penalties paid by Suburban Water Systems to its water wholesalers. (T)
3. ACCOUNTING PROCEDURE:
 - a. A debit entry to record incremental expenses incurred associated with the implementation of water conservation and rationing;
 - b. A credit entry to record the penalties, or other compliance measures associated with the implementation of water conservation and rationing; (T)
 - c. The MCMA will accrue interest on a monthly basis by applying a rate equal to one twelfth of the 3-month Non-Financial Commercial Paper as reported in the Federal Reserve Statistical Release H.15 or its successor publication to the average of the beginning-of-month and the end-of-month balances. (T)
4. EFFECTIVE DATE: The MCMA shall have an effective date of August 14, 2014, the effective date of Commission Resolution W-5000.
5. DISPOSITION OF THE AMOUNT RECORDED IN THE MCMA: The Company shall file an Advice Letter to seek Commission approval for the recovery of the costs recorded in the MCMA as set forth in this Preliminary Statement, or will be reviewed in Suburban Water Systems' next General Rate Case.

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Resolution No.

PRELIMINARY STATEMENT
(Continued)

N. Affiliate Transfer Fee Memorandum Account

(N)

1. PURPOSE:

The purpose of the Affiliate Transfer Fee Memorandum Account is to record transfer fees received by Suburban Water Systems ("Suburban") from affiliates when an employee of Suburban is transferred, assigned, or otherwise employed by the affiliate pursuant to Appendix A, Rule IV.D.2. of Decision No. 10-10-019. All transfer fees paid to Suburban shall be accounted for in the Affiliate Transfer Fee Memorandum Account and tracked for future ratemaking treatment. This transfer payment provision does not apply to clerical workers.

2. ACCOUNTING PROCEDURE:

a. The following entries will be made monthly to the Affiliate Transfer Fee Memorandum Account:

1. A credit entry equal to the transfer fee received by Suburban from an affiliate when an employee of Suburban is transferred, assigned, or otherwise employed by the affiliate.

O. Credit/Debit Card Program Memorandum Account (CCPMA)

A. PURPOSE:

The purpose of The Credit/Debit Card Program Memorandum Account (CCPMA) is to ensure that the costs associated with processing credit and debit cards are not subsidized by customers who do not select those options. The CCPMA will track costs and savings identified below.

B. APPLICABILITY:

The CCPMA is applicable to all regulated operations.

C. ACCOUNTING PROCEDURE:

The CCPMA does not have a rate component. Tracking of costs and savings in the CCPMA will begin when new rates go into effect, or within 90 days after a decision authorizing the CCPMA is adopted, whichever is later. Incremental debits and credits to the CCPMA shall include the following:

(N)

(Continued)

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Title

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Resolution No.

PRELIMINARY STATEMENT

(Continued)

O. CCPMA (Continued)

(N)

- a. A debit equal to the costs from:
 - i. Vendor fees for processing credit and debit cards;
 - ii. Vendor fees for credit/debit card equipment;
 - iii. Incremental charges and labor associated with handling credit/debit transactions, including those that were rejected;
 - iv. Incremental charges and labor for other significant activities that are primarily associated with credit/debit card program;
 - v. Incremental costs associated with maintaining Suburban's billing and accounting software and integrate with that of the third party vendor; and
 - vi. Incremental costs associated with any notice requirements, including printing and mailing costs and programming costs to post notice of the availability of the credit/debit card program.
 - vii. Incremental plant investments such as software, periodically measured on a cost of service basis; i.e. depreciation and return on investment.

- b. A credit equal to the savings from:
 - i. The company's avoided costs for check processing, paper and postage associated with customers who use a credit/debit card;
 - ii. An estimate of the company's cost savings that may be associated with customers who use the credit or debit option on a "one-time" basis;
 - iii. An estimate of the company's cost savings that may be associated with avoiding shutoffs.

D. DISPOSITION:

Request for closure of the CCPMA should be processed according to General Order 96-B and Standard Practices or requested in a general rate case. In the course of the Credit/Debit Card Pilot Program, if Suburban has been unable to develop a cost-effective way to offer payment by credit/debit card, Suburban may end the Credit/Debit Card Pilot Program and close the CCPMA by filing a Tier 1 advice letter. In that event, any costs tracked in the CCPMA that exceed the savings will not be amortized, and will be absorbed by Suburban. Suburban would then have the option of pursuing a fee-based credit/debit payment offering by filing a Tier 3 advice letter.

(N)

(Continued)

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Advise Letter No. 309-W

Robert L. Kelly

Date Filed DEC 19 2014

Name

Decision No. 14-12-038

Vice President

Effective JAN - 1 2015

Title

Resolution No.

PRELIMINARY STATEMENT

(Continued)

P. Recycled Water Balancing Account (RWBA)

(N)

1. AUTHORIZATION:

This balancing account was established pursuant to Commission's Decision 12-04-009, effective January 1, 2012.

2. PURPOSE:

The purpose of the RWBA is to record on a monthly basis: the difference between recorded and authorized quantity rate per acre foot for recycled water multiplied by the recorded purchased of recycled water.

3. APPLICABILITY:

The RWBA is applicable to all areas served.

4. ACCOUNTING PROCEDURE:

a. The following entries will be recorded monthly:

- i. A debit entry for the recorded recycled water purchased expenses.
- ii. A credit entry for the adopted cost per acre foot for recycled water multiplied by the recorded quantity.
- iii. Total net RWBA balance = (i) minus (ii).

b. The Company will record the accumulated RWBA balance monthly, by adding its entry in section a.iii. to the prior accumulated monthly balance.

c. Interest shall accrue monthly by applying one-twelfth of the Federal Reserve 3-month Commercial Paper Rate – Non Financial, from Federal Reserve Statistical Release H.15 (expressed as an annual rate) to the average monthly balance.

d. The recovery of under-collections or refunds of over-collection will be passed on to the ratepayers of recycled water through volumetric surcharge or surcredit respectively.

e. Franchise Fees and Uncollectible Accounts Expense shall be calculated using the factors most recently authorized by the Commission.

f. The Company will establish separate RWBA for each of its two service areas – San Jose Hills and Whittier/La Mirada.

(N)

(To be inserted by utility)

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DEC 19 2014

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Effective

JAN -1 2015

Title

Resolution No.

PRELIMINARY STATEMENT
(Continued)

Q. Drinking Water Fees Memorandum Account (N)

1. PURPOSE:

The purpose of the Drinking Water Fees Memorandum Account (DWFMA) is to track the difference between actual drinking water fees charged by the State Water Resources Control Board (SWRCB) based on the revised fee structure and the drinking water fees authorized in Suburban Water Systems' General Rate Case (GRC) Decision (D.) 14.12-038 which is based on the previous fee structure.

2. APPLICABILITY:

The DWFMA will track the difference between the annual drinking water fees charged by the SWRCB and the drinking water fees authorized in D.14-12-038. Interest shall accrue monthly by applying one-twelfth of the Federal Reserve 3-month Commercial Paper Rate – Non Financial, as reported in the Federal Reserve Statistical Release, to the average of the monthly balance.

3. DISPOSITION:

The Company will file an advice letter to amortize the balance for the DWFMA. Prior to recover, charges made to the DWFMA are subject to a reasonableness review in the appropriate advice letter filing. The recovery of the ending balance (over- or under-collected) will be passed on to the customers through volumetric surcredits or surcharges.

4. EFFECTIVE DATE:

The DWFMA shall go into effect on the effective date of Advice Letter No. 319-W-A and sunset on the effective date of the decision of the GRC, of which application scheduled to be filed on January 2, 2017.

(N)

(To be inserted by utility)

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Advise Letter No. 319-W-A _____
Name

Date Filed 12-9-2016

Decision No. _____
Title

Effective 1-1-2017

Resolution No. _____

PRELIMINARY STATEMENT

(Continued)

R. School Lead Testing Memorandum Account

(N)

Suburban Water Systems ("Suburban") shall maintain a School Lead Testing Memorandum Account ("SLTMA") to track incremental expenses associated with conducting lead tests at schools, within Suburban's service territory, that request this service.

The SLTMA is being established pursuant to the Amendment to the Domestic Water Supply permit issued by the State Water Resources Control Board Division of drinking Water to Suburban on January 17, 2017.

1. PURPOSE:

The purpose of the SLTMA is to track the incremental expenses (not already reflected in authorized rates) for customer outreach, and other incremental operation costs, including but not limited to legal, operations and maintenance, and administrative and general expenses that are unforeseen, unexpected and directly associated with complying and implementing the School Lead Testing Program.

2. APPLICABILITY:

The SLTMA does not have a rate component. The SLTMA shall include, but will not limited to:

- a) Incremental and necessary labor costs associated with planning and coordination with K-12 schools to develop individual sample plans, collecting and submitting samples to laboratories, and administering program requirements including assisting the school with interpretation of laboratory results, and contracted labor;
- b) Laboratory fees for all lead sampling and reporting of the results to Division of Drinking Water ("DDW") and the school, and all laboratory coordination and instruction;
- c) Incremental customer outreach costs that are necessary in coordination with the local school district, local community, and local official, in compliance with DDW's School Lead Testing Program.

3. ACCOUNTING PROCEDURE:

- a) A debit entry shall be made to the SLTMA at the end of each month to record the expenses discussed above.
- b) Interest shall accrue to the SLTMA on a monthly basis by applying a rate equal to one-twelfth of the 3-month Commercial Paper Rate as reported in the Federal Reserve Statistical Release to the average of the beginning-of-month and the end-of-month balances.

4. EFFECTIVE DATE:

The SLTMA shall go into effect on January 17, 2017.

5. DISPOSITION:

Disposition of the amounts recorded in the SLTMA shall be determined in a subsequent filing, as authorized by the Commission.

(N)

(To be inserted by utility)

Issued by

(To be inserted by Cal. P.U.C.)

Advise Letter No. 321-W-A

Robert L. Kelly

Date Filed 03-14-2017

Name

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Vice President

Effective 01-17-2017

Title

Resolution No. _____

PRELIMINARY STATEMENT
(Continued)

S. **A.17-01-001 Interim Rates Memorandum Account (IRMA)**

1. The purpose of the Interim Rates Memorandum Account is to track the difference between the revenues billed under the interim rates and revenues that would have been billed under the rates adopted by the Commission in Application (A.) 17-01-001.
2. Interest shall accrue monthly by applying one-twelfth of the Federal Reserve 3-Month Non-Financial Commercial Paper Rate as reported in the Federal Reserve Statistical Release to the average of the beginning-of-month and the end-of-month balances.
3. The interim rates shall be the currently authorized rates per Advice Letter 318-W.
4. The effective date of A.17-01-001 IRMA is January 1, 2018, and will terminate upon the implementation of Commission's final decision in A.17-01-001.
5. The disposition of balances in the A.17-01-001 IRMA will be determined by the final decision in A.17-01-001.

T. **Tax Cuts and Jobs Act (TCJA) Memorandum Account**

(N)

1. PURPOSE: The purpose of the TCJA Memorandum Account (Memo Account) is to track on a CPUC-jurisdictional revenue requirement basis the impacts of the TCJA not otherwise reflected in rates from January 1, 2018 until the effective date of the revenue requirement changes in the Utility's next General Rate Case (Memo Account Period).
2. GENERAL INFORMATION: The Utility shall record in this Memo Account realized increases or decreases in its CPUC-jurisdictional revenue requirement resulting from the TCJA. The Memo Account shall be used in determining whether any rate adjustment is necessary to reflect impacts of the TCJA during the Memo Account Period.
3. MEMO ACCOUNT ENTRIES: The entries in the Memo Account may include the following:
 - a. Realized decrease in revenue requirement resulting from the TCJA during the Memo Account Period.
 - b. Realized increase in revenue requirement resulting from the TCJA during the Memo Account Period.
 - c. The accumulated balances in the Memo Account will accrue an interest at a rate equal to one-twelfth of the 3-Month Non-Financial Commercial Paper rate as reported in the Federal Reserve Statistical Release.
4. DISPOSITION OF MEMO ACCOUNT BALANCE: In the Utility's next General Rate Case, or at such other time as ordered by the CPUC, the balance in the Memo Account shall be addressed and rates shall be adjusted accordingly, as appropriate.

(N)

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Vice President
Title

Effective 1-1-2018

Resolution No. _____

PRELIMINARY STATEMENT
(Continued)

U. Asbestos Litigation Memorandum Account (“ALMA”) (N)

1. PURPOSE:

The Asbestos Litigation Memorandum Account (“ALMA”) will track costs, settlement payments, judgments and credits related to litigation arising from alleged exposure to asbestos from asbestos cement (“AC”) water pipes in Suburban’s service areas.

2. APPLICABILITY:

The ALMA is effective beginning January 6, 2017 through January 5, 2020, unless the California Public Utilities Commission authorizes an extension. The ALMA applies to all districts.

3. RATES:

The ALMA has no rate component.

4. ACCOUNTING PROCEDURE:

Suburban shall make the entries described below on a monthly basis. Suburban shall only record costs for outside services related to defending against asbestos litigation lawsuits and seeking indemnification or cost recovery from insurers, developers, contractors, or other involved parties. Suburban shall not record any costs for internal services related to defending against asbestos litigation lawsuits and seeking indemnification or cost recovery from insurers, developers, contractors, or other involved parties. Suburban shall only record the following outside services costs related to asbestos litigation to the memorandum account:

- a. Filing and court fee costs
- b. Attorney fees
- c. Legal representation administrative costs
- d. Legal representation travel costs
- e. Litigation support costs
- f. Investigative costs
- g. Court reporter costs
- h. Deposition costs
- i. Expert witness fees
- j. Expert witness administrative costs
- k. Witness representation costs
- l. Witness travel costs
- m. Insurance coverage attorney costs
- n. Other reasonable and justified costs from outside service providers directly tied to asbestos litigation cases.

(Continued)

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Title

Resolution No.

PRELIMINARY STATEMENT
 (Continued)

- U. ALMA (Continued) (N)
4. ACCOUNTING PROCEDURE (continued):
- Suburban may record in the ALMA payments made according to settlement agreements in litigation related to alleged asbestos exposure. Suburban may record in the ALMA judgments against it in litigation related to alleged asbestos exposure.
- Suburban shall record any recovery or compensation of costs from outside sources as a credit to the memorandum account. Any recovery or compensation of costs recorded in the memo account is to be credited against the costs recorded in the memorandum account, including recovery or compensation received after any expiration of the memorandum account. Costs that shall be treated as a credit in the memorandum account include, but are not limited to:
- a. Developer indemnity
 - b. Developer reimbursement of expenses
 - c. Developer insurance reimbursement
 - d. Contractor indemnity
 - e. Contractor insurance reimbursement
 - f. Contribution by other defendants
 - g. Court awards
 - h. Settlement awards
- Pursuant to Standard Practice U-27-W (“SP U-27”) of the Division of Water & Audits, the ALMA will earn interest at the 90-day commercial paper rate.
5. DISPOSITION:
- Suburban shall seek recovery of costs recorded in the memorandum account if triggered under SP U-27, or in the 2020 GRC filing. The request shall be in a filing that is in accordance with SP U-27 and General Order 96-B, Water Industry Rule 7.3.3. (N)

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