

**SCHEDULE NO. 14.1**  
**STAGED WATER SHORTAGE SURCHARGES and PENALTIES**

**A. APPLICABILITY**

1. This schedule applies to all water customers served under all tariff rates schedules authorized by the California Public Utilities Commission ("Commission"). This schedule is effective only in times of staged water reductions, as required by Rule No. 14.1, and only for the period noted in the Special Conditions section below.
2. If any provision in this Schedule No. 14.1 is inconsistent with Rule No. 14.1, the provisions in this Schedule No. 14.1 shall apply.
3. This schedule shall be activated by the Commission authorization when the utility files a Tier 2 advice letter.
4. Once the schedule is activated, the utility is authorized to implement other Stages of the schedule by filing a Tier 2 advice letter.
5. When a particular stage of this schedule is activated, the period over which it shall be effective will be included in the language in Schedule No. 14.1.
6. When this schedule becomes effective, it shall remain in effect until the utility files a Tier 1 advice letter to deactivate a specific Stage of the Water Shortage Contingency Plan and the Commission authorizes the utility's proposal.
7. Current Activated Stage: Rule No. 14.1, Stage 1 (T)

**B. TERRITORY**

This schedule is applicable for both the Los Angeles County and Fontana Water Company division service areas served by the utility.

(continued)

(To be inserted by utility)

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(continued)

**C. DROUGHT EMERGENCY SURCHARGES**

In response to the Governor's Drought Emergency Executive Order (B-29-15) the State Water Resources Control Board ("Water Board") imposed restrictions to achieve a statewide 25% reduction in potable urban water usage through February 29, 2016. These restrictions require water consumers to reduce usage as compared to the amount they used in 2013.

These restrictions are designed to strongly encourage those customers with high per capita usage to achieve proportionally greater reduction than those with lower usage.

The Water Board's mandated reductions, as compared to the amount used in 2013, are 16% for all customers in the Los Angeles County division and 28% for all customers in the Fontana Water Company division.

**a. Residential Class Customers**

In addition to the charges for water service listed in Schedule Nos. LA-1, FO-1, LA-1C, FO-1C, LA-CARW, and FO-CARW, when Stage 2, 3, or 4, as defined in Rule No. 14.1 are in effect, a Drought Emergency Surcharge will be added to the bills of Residential Class customers for all usage in excess of 20 Ccf per month as follows:

**Stage 1 Water Alert**

There are no surcharges for this Stage.

**Stage 2 Water Shortage**

The Drought Emergency Surcharge will equal 100% of the current highest tier quantity rate of the applicable rate schedule, excluding surcharges and surcredits.

(continued)

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(continued)

**C. a. Residential Class Customer (continued)**

**Stage 3 Water Shortage**

The Drought Emergency Surcharge will equal 200% of the current highest tier quantity rate of the applicable rate schedule, excluding surcharges and surcredits.

**Stage 4 Water Shortage**

The Drought Emergency Surcharge will equal 300% of the current highest tier quantity rate of the applicable rate schedule, excluding surcharges and surcredits.

**b. All Other Customer Classes**

In addition to the charges for water service listed in Schedule Nos. LA-1 and FO-1, when Stage 2, 3, or 4, as defined in Rule No. 14.1 are in effect, a Drought Emergency Surcharge will be assessed on total metered usage as follows:

**Stage 1 Water Alert**

There are no surcharges for this Stage.

**Stage 2 Water Shortage**

The Drought Emergency Surcharge will equal 10% of the current highest tier quantity rate of the applicable rate schedule, excluding surcharges and surcredits.

**Stage 3 Water Shortage**

The Drought Emergency Surcharge will equal 15% of the current highest tier quantity rate of the applicable rate schedule, excluding surcharges and surcredits.

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**C.b. All Other Customer Classes (continued)**

**Stage 4 Water Shortage**

The Drought Emergency Surcharge will equal 20% of the current highest tier quantity rate of the applicable rate schedule, excluding surcharges and surcredits.

**D. WATER USE VIOLATION PENALTIES**

In accordance with Section E of Rule 14.1, the utility may begin to apply penalty charges if the local governing agency is not enforcing the mandatory use restrictions. These penalty charges will be in addition to other amounts billed to the customer for water service and will be assessed as indicated below:

- a. First and Second Offenses: Written warning, including explanation of penalty for subsequent offense.
- b. Third Offense within one year (of the same restriction): Written warning, including explanation of penalty for subsequent offense and a \$100 penalty charge.
- c. Fourth Offense within one year (of the same restriction): Written warning, including explanation of penalty for subsequent offense and a \$250 penalty charge.
- d. Fifth Offense within one year (of the same restriction): Written warning, including explanation of penalty for subsequent offense and a \$500 penalty charge.
- e. Sixth and later Offenses within one year (of the same restriction): Written warning, including explanation of penalty for subsequent offense, a \$500 penalty charge, installation of a flow restricting device on customer's water meter for the duration of enforcement stage of the Water Shortage Contingency Plan, and/or discontinuance of service pursuant to Rule No. 11.

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**E. FLOW RESTRICTOR CHARGES**

The charge for installation and removal of a flow-restricting device shall be:

<u>Connection Size</u>	<u>Charges</u>
5/8" to 1".....	\$150.00
1-1/2" to 2".....	\$200.00
3" and larger.....	\$300.00

The flow restrictor will remain installed for a minimum of 7 days.

**F. SPECIAL CONDITIONS**

1. A Tier 2 advice letter must be filed with the Commission to activate any of the Drought Emergency Surcharges and/or Water Use Violation Penalties listed in this schedule.
2. The active Drought Emergency Surcharges and/or Water Use Violation Penalties shall remain in effect until a Tier 2 advice letter is filed with the Commission to activate a different Stage or when Schedule No. 14.1 is deactivated.
3. Drought Emergency Surcharges and/or Water Use Violation Penalties must be separately identified on each bill.
4. All monies collected by the utilities through Drought Emergency Surcharges and/or Water Use Violation Penalties shall not be accounted for as reoccurring income, but shall be tracked in a memorandum account for disposition as directed or authorized from time to time by the Commission.
5. All expenses incurred by utility to activate Schedule No. 14.1 that have not been approved and adopted in a general rate case or other proceeding, shall be recoverable by utility if determined to be reasonable by the Commission. Lost revenues associated with reduced sales as a result of activation of Schedule No. 14.1 shall be tracked in a memorandum account for disposition as directed or authorized from time to time by the Commission.
6. This tariff schedule shall remain in effect until January 31, 2017, or until utility files a Tier 2 advice letter to activate a specific Stage of mandatory conservation. (T)  
(T)
7. All bills are subject to surcharge fee set forth on Schedule No. AA-UF.

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