

EXHIBIT 21-F

CALIFORNIA-AMERICAN WATER COMPANY

1033 B Avenue, Suite 200
Coronado, CA 92118

C.P.U.C. Sheet No. _____

Cancelling _____

Schedule No. MO-XX
Monterey County District Tariff Area
MPWSP RETURN WATER

APPLICABILITY

Applicable to water provided pursuant to Return Water Purchase Agreements between California American Water and: (1) the Castroville Community Services District (“CCSD”) and (2) the Monterey County Water Resources Agency (“MCWRA”).

TERRITORY

The delivery point near the intersection of Nashua Road and Monte Road in Castroville.

RATES

Return Water:

For CCSD, per acre-foot (see Special Condition 11)	\$110	(I)
For MCWRA, per acre-foot (see Special Condition 13)	\$102	

Excess Water:

For CCSD, per acre-foot (see Special Condition 12)	\$580	(I)
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SPECIAL CONDITIONS

1. The Castroville Seawater Intrusion Project (“CSIP”) is a MCWRA project that provides recycled water and diverted Salinas River water for use in lieu of groundwater pumping for irrigated agricultural use in the Castroville area of the Salinas River Groundwater Basin (“SRGB”).
2. California American Water will make available for delivery to CCSD and CSIP a volume of water (“Return Water”) equal to the percentage of SRGB in the total source water produced from slant intake wells for the MPWSP (“Project Source Water Production”), as calculated on a water year basis (“Base Return Water Obligation”). (“MPWSP” refers to California American Water’s Monterey Peninsula Water Supply Project.)
3. Upon start-up of the MPWSP, the first 175 acre-feet of Return Water delivered by California American Water (“Reserve Water”) shall be delivered to CSIP.
4. California American Water has annual Return Water requirements (“Annual Return Water Obligation”). Beginning in the first full water year after the full amount of Reserve Water has been delivered to CSIP (the “Obligation Start Date”), the Annual Return Water Obligation in any given year shall be the sum of (a) the Base Return Water Obligation for that year, plus (b) any Return Water Shortfall (as defined in Special Condition 7) for the prior year, minus (c) any Return Water Surplus Shortfall (as defined in Special Condition 7) for the prior year. California American Water’s Annual Return Water Obligation shall not begin until the “Obligation Start Date”.

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5. During the first three months after the Obligation Start Date, the Annual Return Water Obligation shall be 7% of total Project Source Water Production during that period. For the remainder of the water year after the first three months have passed, the Annual Return Water Obligation shall be the percentage of SRGB groundwater in the total Project Source Water Production calculated during the first three months after the Obligation Start Date.
6. The volume of any Return Water Shortfall for a given year shall be determined by subtracting the amount of Return Water made available by California American Water in that year from the amount of the Annual Return Water Obligation for that year. If the amount of Return Water made available by California American Water in that year equals or exceeds the Annual Return Water Obligation, the Return Water Shortfall for that year shall be equal to zero.
7. The volume of any Return Water Surplus for a given year shall be determined by subtracting the amount of the Annual Return Water Obligation for that year from the amount of Return Water provided by California American Water to CCSD and MCWRA in that year. If the amount of Annual Return Water Obligation in that year equals or exceeds the amount of Return Water provided by California American Water to CCSD and MCWRA, the Return Water Surplus for that year shall be equal to zero.
8. California American Water shall make available for delivery to CCSD 690 afa of Return Water ("CCSD Delivery Volume").
9. If the Annual Return Water Obligation is less than the CCSD Delivery Volume, California American Water shall make available for delivery potable water in an amount equal to the difference between the Annual Return Water Obligation for that year and the CCSD Delivery Volume ("Excess Water").
10. California American Water shall make available for delivery to CSIP any Annual Return Water Obligation in excess of the CCSD Delivery Volume, according to procedures agreed to in the Return Water Purchase Agreement by and between MCWRA and California American Water.
11. For Return Water made available for delivery to meet the Annual Return Water Obligation, CCSD shall pay a rate intended to represent its avoided cost to produce groundwater to meet customer demand, currently estimated to be \$110 per acre-foot, which will be the rate as of the Obligation Start Date. CCSD plans to continue operation of its existing wells so they may be available in emergency circumstances. This continuing operation will enable CCSD to provide future updates to the avoided cost of pumping. If CCSD is unable to provide such updated avoided costs of pumping, then the percentage increase of PG&E's A-6 tariff for off-peak summer distribution rate (with a base of \$0.07311 / kWh as of the tariff existing on March 24, 2016) will be used as the escalation factor for the increase in avoided cost of pumping in the future. After the Obligation Start Date, the rate will be reviewed annually and updated, if necessary, via a Tier 2 advice letter filing with the CPUC.
12. For any Excess Water California American Water makes available as described in Special Condition 9, CCSD shall pay a rate intended to represent the marginal operation and maintenance costs for the MPWSP to produce one acre-foot of potable water, currently estimated to be \$580 per acre-foot, which will be the rate as of the Obligation Start Date. After the Obligation Start Date, the rate will be reviewed annually and updated, if necessary, via Tier 2 advice letter filing with the CPUC.
13. MCWRA shall pay a rate for Return Water intended to represent the CSIP customers'

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marginal avoided cost for groundwater produced for use by the CSIP customers, currently estimated to be \$102 per acre-foot, which will be the rate as of the Obligation Start Date. After the Obligation Start Date, the rate will be reviewed annually and updated, if necessary, via Tier 2 advice letter filing with the CPUC.

14. Upon termination of either or both Return Water Purchase Agreements in accordance with their terms, this tariff will cease to be effective as to the parties to the terminated Return Water Purchase Agreement.

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