



GENERAL RATE CASE PUBLIC MEETING

October 5, 2026 • Benbow, Ferndale, Hat Creek, Johnson Park & Mt. Lassen

Del Oro Water Company (DOWC)
Janice Hanna, Director of Accounting & Regulatory Affairs

California Public Utilities Commission (CPUC)
Jane Carr, Senior Utilities Engineer, CPUC Division of Water

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- All participants will be muted upon joining the meeting
 - Once the presentation is complete the meeting host will open up for Public Comment
 - Press *9 to raise your hand to enter the queue, Press *6 to unmute the line
 - This meeting will be recorded



Public Meeting Overview

- 1 What is a General Rate Case
- 2 Why the Rate Case is Needed
- 3 What it Takes to Deliver Water to the Tap
- 4 Operating Cost Increases
- 5 Current Rates vs. Proposed Rates
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- 7 Customer Protections & Regulatory Oversight
- 8 How Customers Can Participate
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1. What Is a General Rate Case?

- A General Rate Case (GRC) is the process by which a water utility request a change in rates from the California Public Utilities Commission (CPUC).
- General Rate Case (GRC) workbooks were submitted on June 2, 2026 showing proposed rate increases for each district.
- The Calculations were based on factors such as the number of customers, water consumption, meter sizes, 3 years of historical operating expenses, and actual increases in costs for purchased water, electricity, insurance, employee labor costs, and health benefits.
- The CPUC staff will make a thorough investigation of the utility's request. Following the investigation, the CPUC may grant the utility's request in whole or in part.



Review
Cost & Needs



Ensure Fair
& Reasonable Rates



Support Safe,
Reliable Service





2. Why the Rate Case is Needed?

Current rates are based on operating costs from 6 years ago

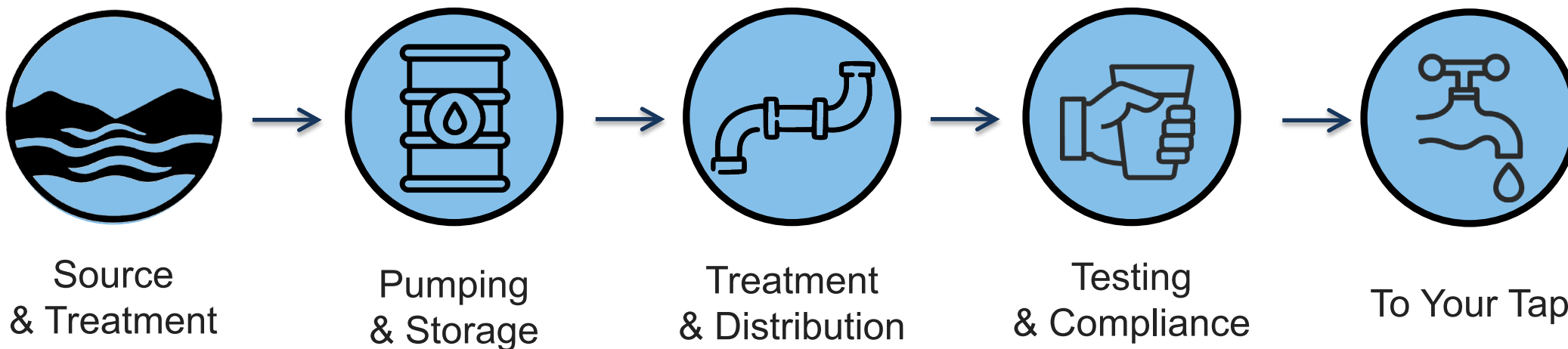
- Our last GRC was completed in 2023, utilizing data from 2020-2022.
- Rising costs for essential goods and services have increased significantly.
- Major cost pressures include electricity, insurance, labor, chemicals, fuel, purchased water, regulatory requirements, and contracted services.
- The General Rate Case ensures that revenues match the costs of operating and improving your water system.
- Del Oro must continue to invest in our infrastructure to maintain reliable service.

Stable Rates
Today.
Reliable Water
Tomorrow.

3. What it Takes to Deliver Water to the Tap

More than just water in the pipes

- Source and purchase water costs, operation of wells & pumps.
- Pumping costs, electricity, and maintenance.
- Maintenance of water mains, valves, meters, hydrants, and service connections.
- Water quality testing and compliance with drinking-water regulations.
- Staff responds to leaks, outages, emergencies, and customer service needs.



4. Operating Cost Increases

Over the 3 years, the cost of key items have risen significantly across the company

	Chemicals	+40%	+\$20,500
	Electricity	+30%	+\$33,300
	Labor	+ 7%	+\$44,400
	Insurance	+13%	+\$ 8,000
	Office Supplies	+26%	+\$31,000
	Transportation/Fuel	+46%	+\$55,800
	Materials / Contract Work	+45%	+\$12,300

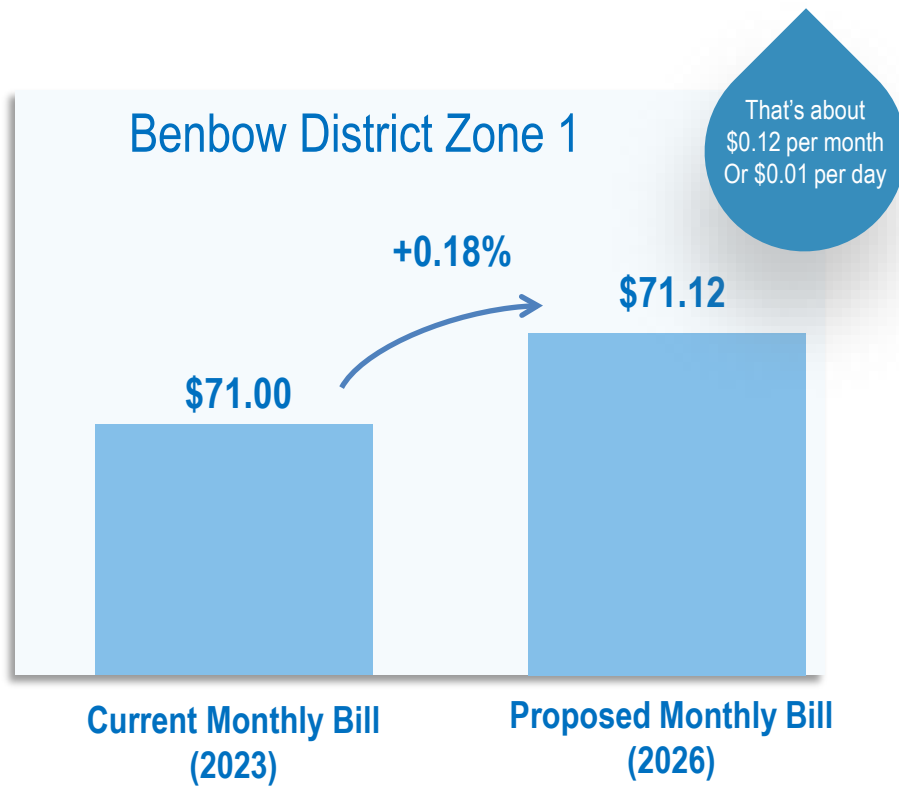
These figures reflect the average increases and associated costs across all five (5) districts from our last General Rate Case.



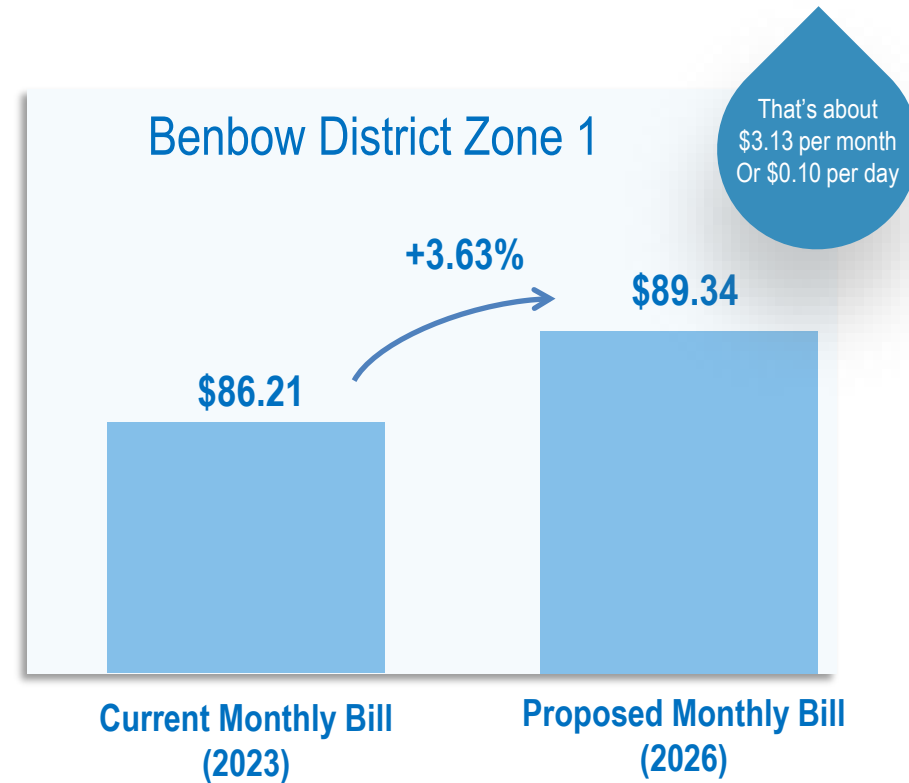
These “non-controllable” costs are outside of our control, but they are essential to providing safe, reliable water.



5. Current Rates vs. Proposed Rates



For the average residential customer in the Benbow District Zone 1 using 500 cu. ft. or 3,740 gallons per month

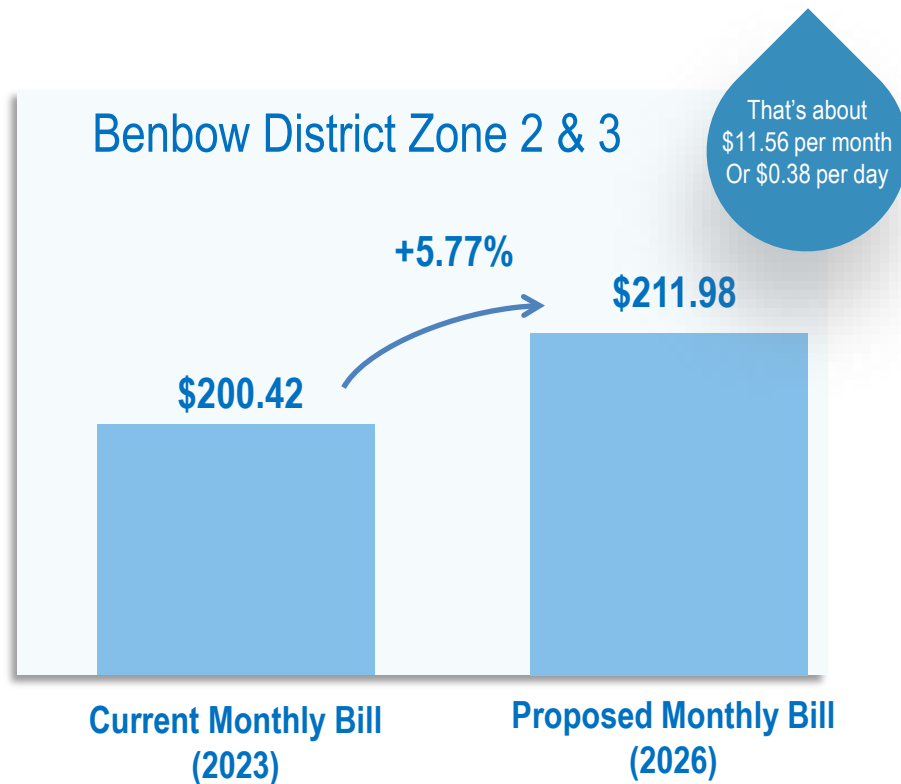


For the average residential customer in the Benbow District Zone 1 using 1000 cu. ft. or 7,430 gallons per month

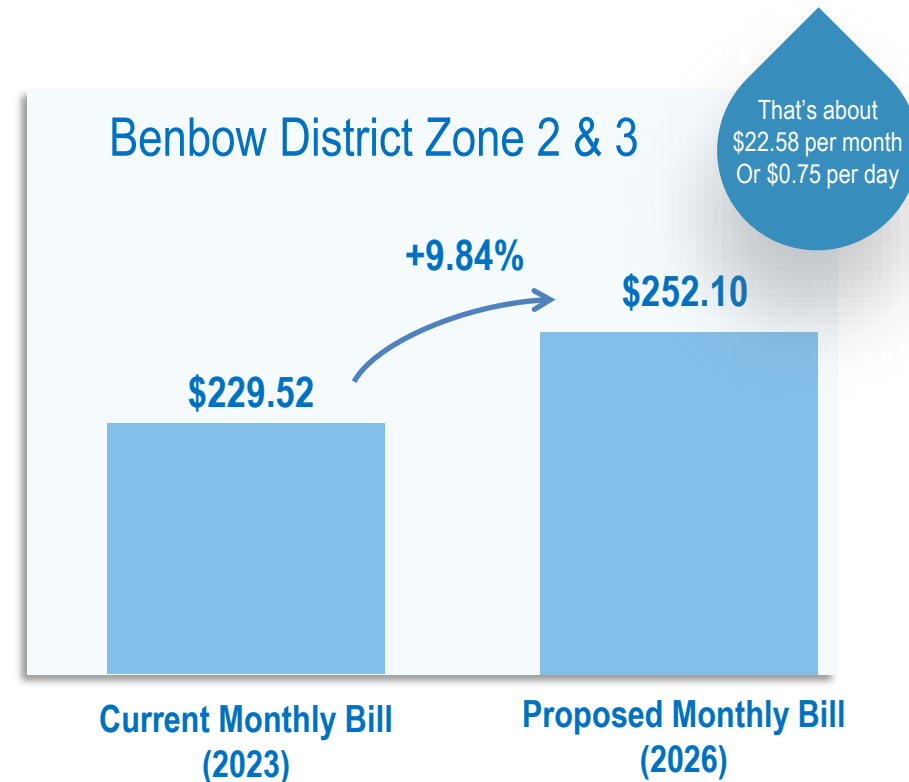
Proposed Rate increases are based on the number of customers, water consumption & meter size. These along with operating costs and water sources make each district's rates vary.



5. Current Rates vs. Proposed Rates



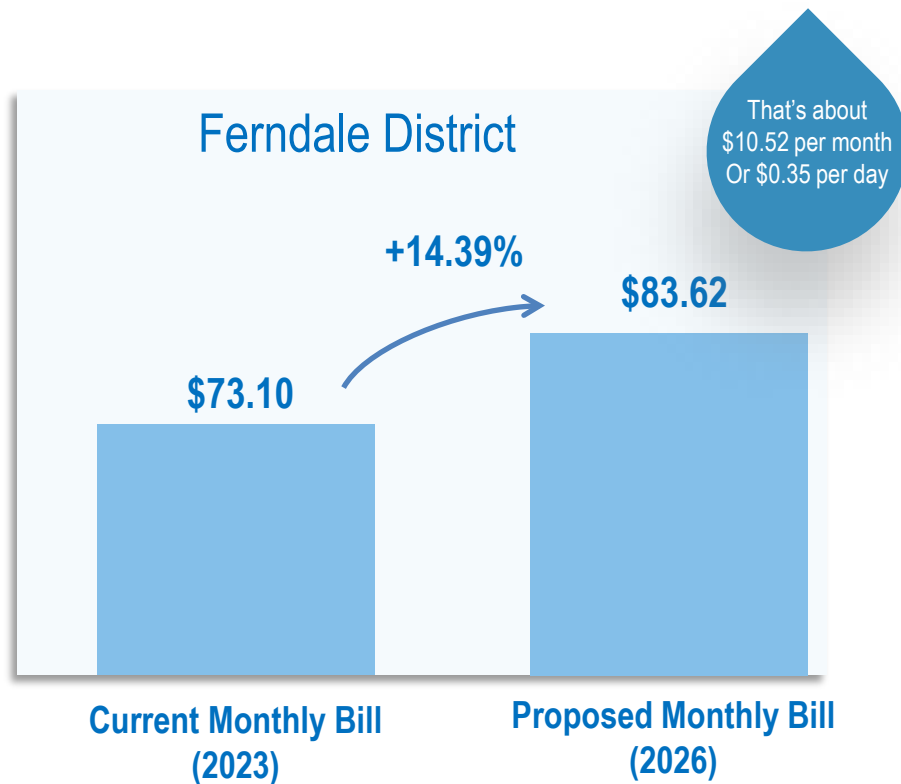
For the average residential customer in the Benbow District Zones 2 & 3 using 1000 cu. ft. or 7,430 gallons per month



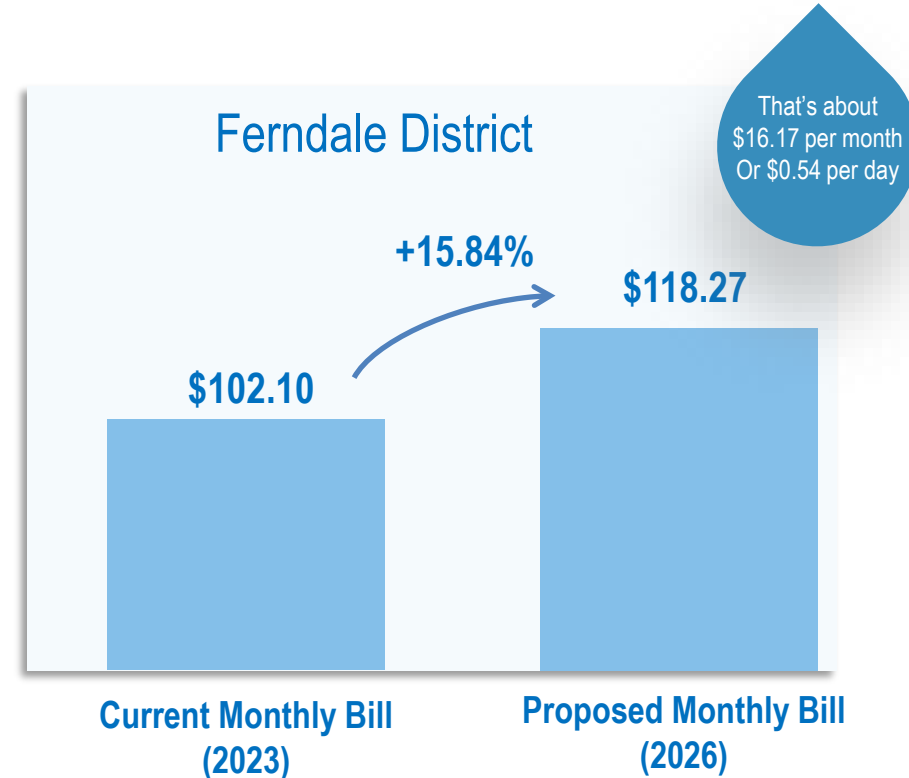
For the average residential customer in the Benbow District Zones 2 & 3 using 1500 cu. ft. or 11,145 gallons per month

Proposed Rate increases are based on the number of customers, water consumption & meter size. These along with operating costs and water sources make each district's rates vary.

5. Current Rates vs. Proposed Rates



For the average residential customer in the Ferndale District using 500 cu. ft. or 3,740 gallons per month

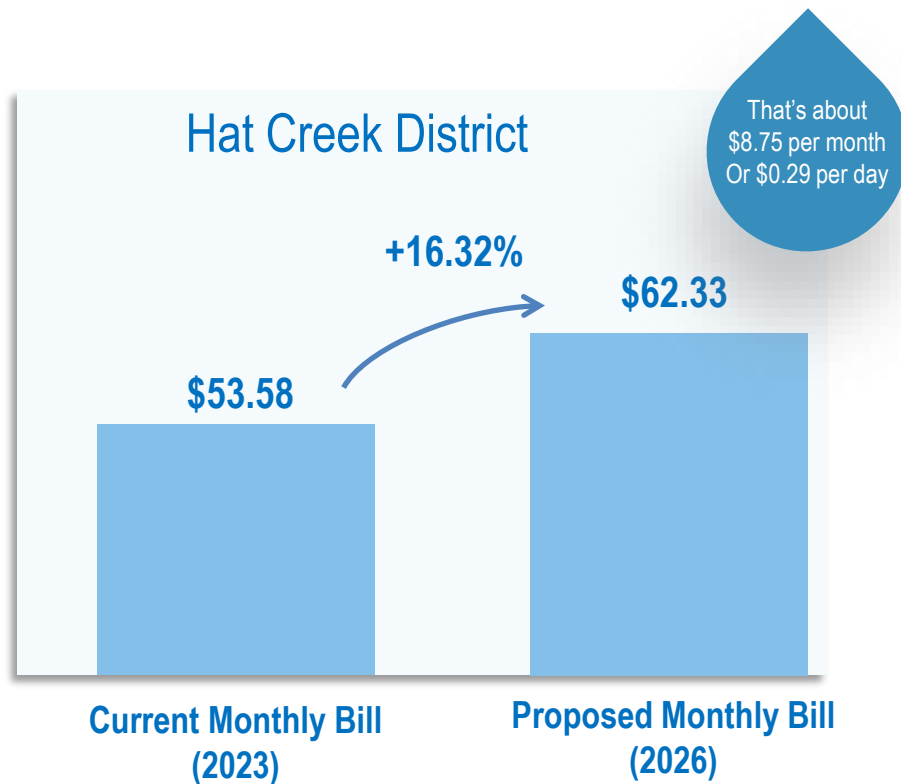


For the average residential customer in Ferndale District using 1000 cu. ft. or 7,430 gallons per month

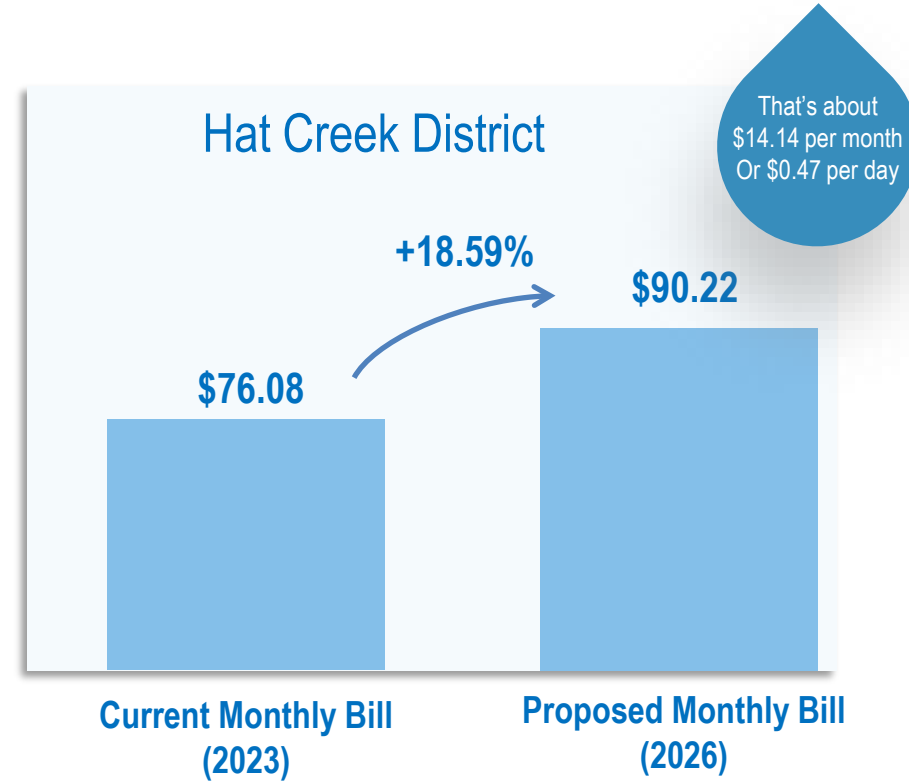
Proposed Rate increases are based on the number of customers, water consumption & meter size. These along with operating costs and water sources make each district's rates vary.



5. Current Rates vs. Proposed Rates



For the average residential customer in the Hat Creek District using 500 cu. ft. or 3,740 gallons per month

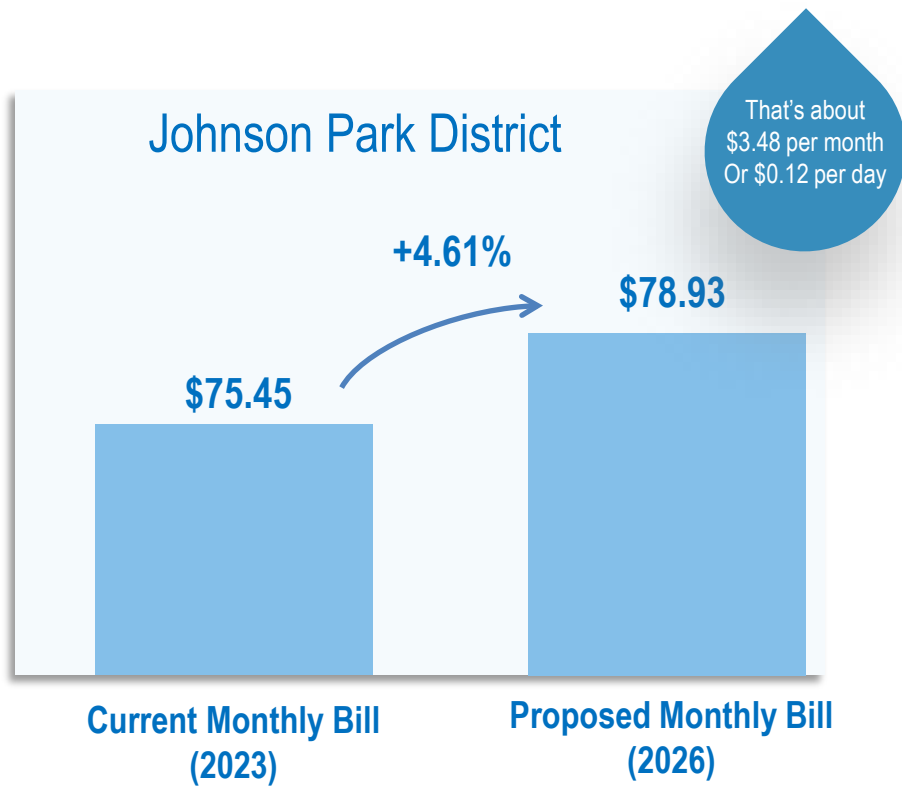


For the average residential customer in the Hat Creek District using 1000 cu. ft. or 7,430 gallons per month

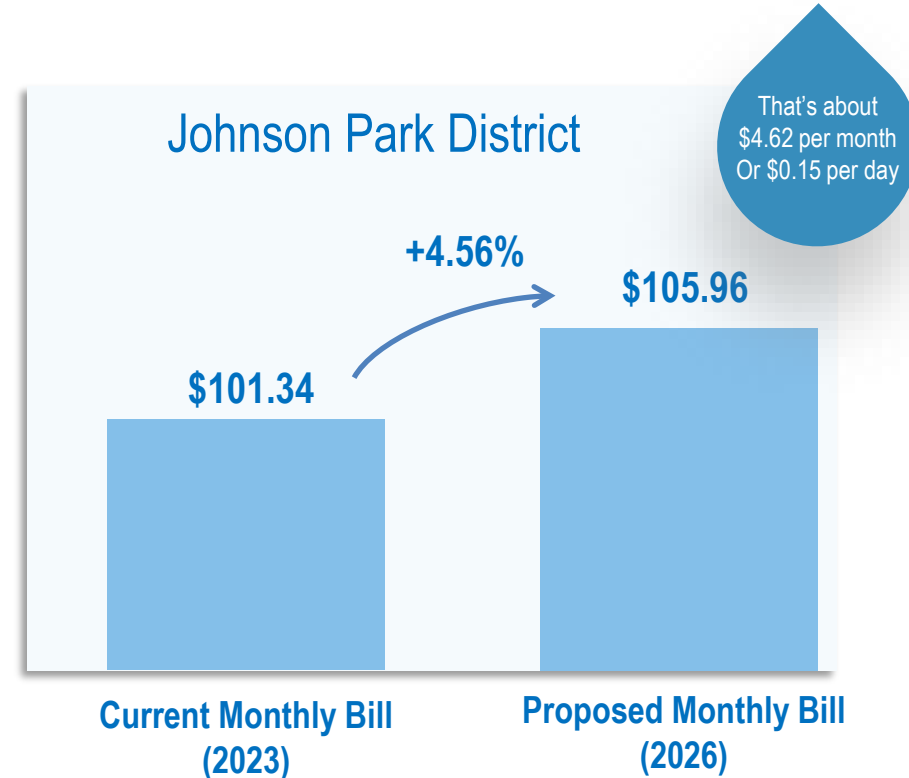
Proposed Rate increases are based on the number of customers, water consumption & meter size. These along with operating costs and water sources make each district's rates vary.



5. Current Rates vs. Proposed Rates



For the average residential customer in the Johnson Park District
using 500 cu. ft. or 3,740 gallons per month

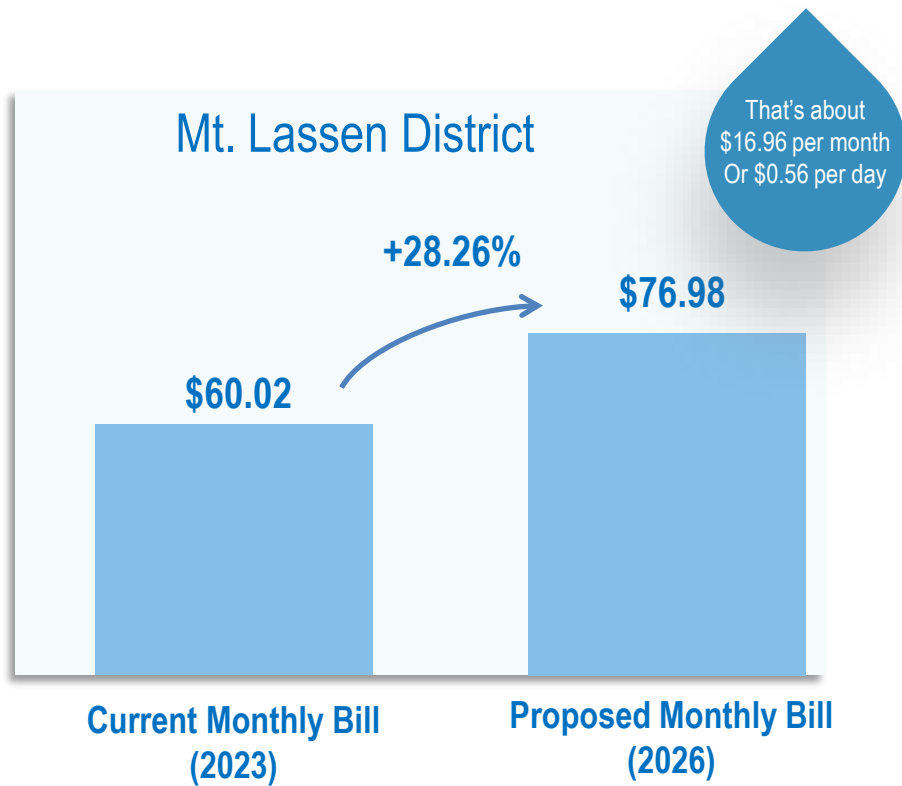


For the average residential customer in the Johnson Park District
using 1000 cu. ft. or 7,430 gallons per month

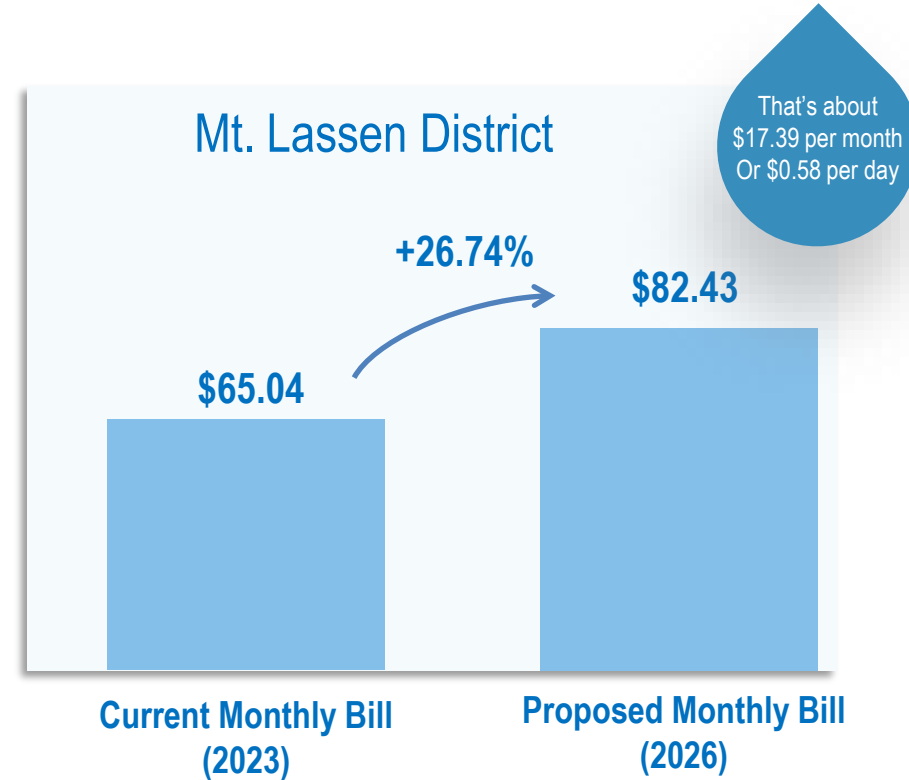
Proposed Rate increases are based on the number of customers, water consumption & meter size. These along with operating costs and water sources make each district's rates vary.



5. Current Rates vs. Proposed Rates



For the average residential customer in the Mt. Lassen District
using 200 cu. ft. or 1,486 gallons per month



For the average residential customer in the Mt. Lassen District
using 400 cu. ft. or 2,972 gallons per month

Proposed Rate increases are based on the number of customers, water consumption & meter size. These along with operating costs and water sources make each district's rates vary.



6. Today's Rates Support Tomorrow's Reliability

Reliability of Water Service

- Water mains, wells, pumps, storage tanks, treatment equipment, and other facilities must work when customers turn on the tap. Investing before equipment fails helps reduce outage and emergency repairs.

Water Quality & Public Health

- Infrastructure plays a critical role in maintaining water quality.

Meeting Changing Regulatory Requirements

- Del Oro operates under extensive state and federal requirements. Infrastructure investment may be necessary to meet updated water-quality, treatment, monitoring, conservation, and reliability standards.



7. Customer Protections & Regulatory Oversight



Customer Protections

- ✓ Rate increases are carefully reviewed and limited by the CPUC
- ✓ We are required to demonstrate costs are prudent and necessary
- ✓ The CPUC can modify our request before final approval



Regulatory Oversight

- ✓ Independent review and audit by the CPUC
- ✓ Public participation process
- ✓ Final rates are set by the California Public Utilities Commission - not the utility



8. How Customers Can Participate



Attend public meetings
and hearings



Visit the CPUC website
(www.cpuc.ca.gov)



Submit written comments
or questions



Stay informed through
our website and bill notifications

**Your voice
matters**

We encourage you
to be part of the
process



9. Del Oro Water Company's Commitment

**Safe
Drinking Water**

**Accountability
to Customer &
Regulators**

**Reliable
Customer
Service**

**Transparent
Communication**

**Long-Term
Water System
Investment**



10. Common Customer Questions



Why do we need a rate increase?

A: To cover rising costs and invest in our system.



How often do you request a GRC?

A: Typically every 3 years to balance keeping utility rates current with the cost and time required for regulatory review.



Will my bill go up a lot?

A: Impacts vary by customer and usage.



Can the CPUC modify the GRC request?

A: Yes, the CPCU will review and may modify the request.



How can I learn more or get involved?

A: Visit our website or contact our customer service team.



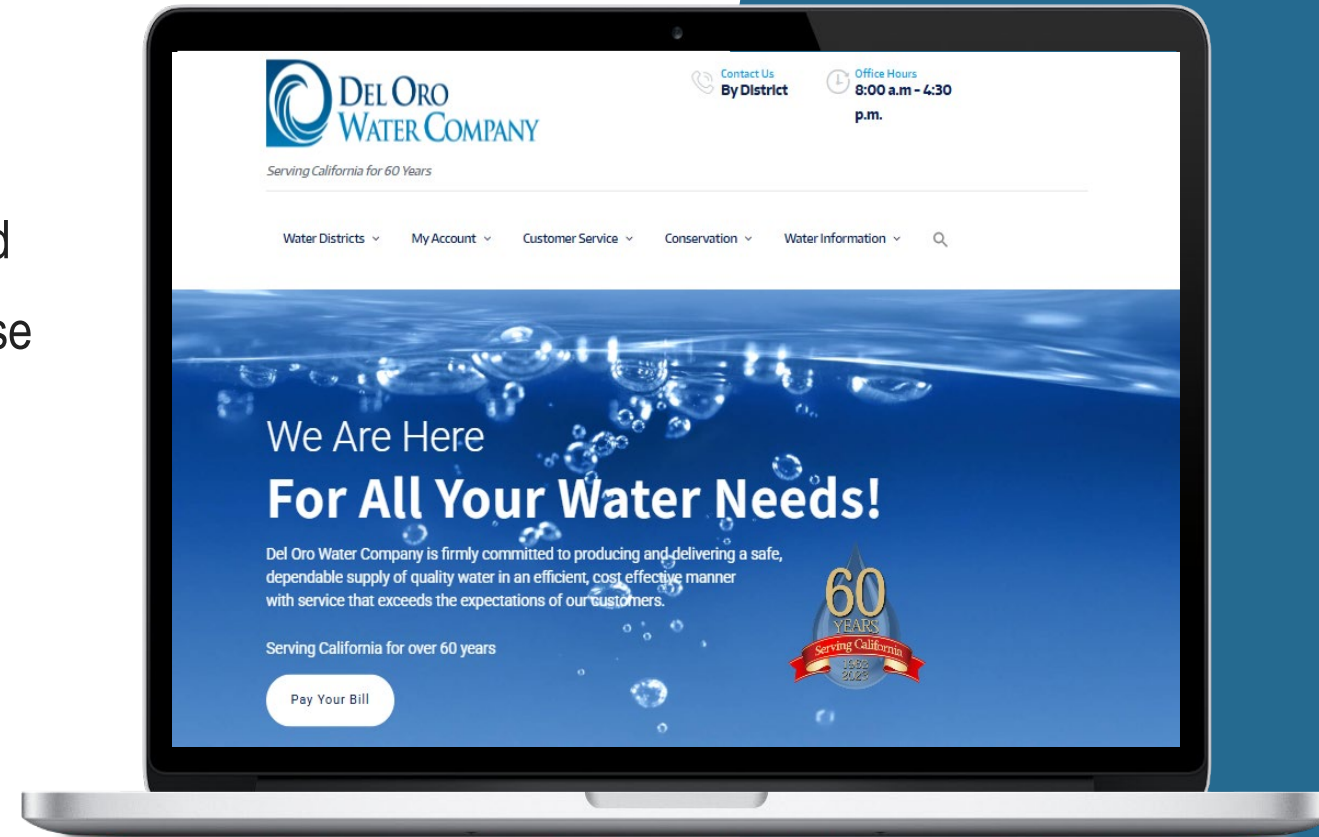
11. Questions & Public Comment

To provide public comment:

- From your computer select the raise hand feature
- From your phone dial *9 to raise/lower hand
- Host will request you to unmute your line use *6 from your phone

Janice Hanna
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24/7/365 for important updates and
notifications about your community



Thank you for participating in the GRC Process