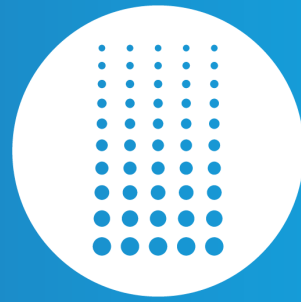


Suburban Water Systems UNDERSTANDING YOUR WATER RATES



Suburban Water Systems TAP WATER IS A GREAT DEAL



Reliable, Safe, and Affordable Water for Our Communities

Every three years, the California Public Utilities Commission (CPUC) requires Suburban to file a General Rate Case (GRC). Our proposed 2027–2029 rates help us sustain and improve the water system while covering rising costs. **Included with this brochure is the CPUC required General Rate Case notice. These are proposed rates only. Final rates will be set by the CPUC.**



These investments keep water safe, service reliable, and fire protection strong for you and 300,000 of your neighbors.

Why now?

Clean, dependable water doesn't happen by accident. It takes people, infrastructure, and sensible reinvestment.



Did you know?

Your tap water costs less than one penny per gallon, making it one of the best values in California utilities.



Suburban provides high-quality, reliable water that meets or exceeds all state and federal standards. It remains one of the most affordable essential services you use every day. Most customers are surprised how little tap water costs compared to other daily essentials. One CCF (hundred cubic feet) equals 748 gallons, about \$5 per CCF, or less than a penny per gallon for clean, tested water.



	\$/GALLON	\$/CCF
Bottled Water	\$2	\$1,496
Gasoline	\$5	\$3,740
TAP WATER	<u>\$0.0067</u>	\$5

BOTTLED WATER COSTS 300 TIMES MORE THAN YOUR TAP WATER

Our People and Programs

Behind every glass of water is a team dedicated to serving our community.

WATER QUALITY TEAM: Conducts more than 12,000 tests each year to ensure safety.

CUSTOMER CARE TEAM: Provides responsive, friendly support.

OPERATIONS CREW: Work around the clock to operate, maintain, and repair the system to keep water flowing 24/7/365.

Keeping Bills Affordable

Suburban's **Customer Assistance Program (CAP)** helps income-qualified households reduce their bills by \$10.74 each month. The proposed rate plan increases the monthly CAP discount each year up to \$22.79 per month for qualified customers.



Tap Water Delivers

Suburban delivers tap water around the clock to each customer's home for washing hands and clothes, flushing toilets, bathing, drinking, cooking, and watering plants. Suburban's pipes also deliver water through fire hydrants for fighting fires to protect your home, possessions and lives.

Have Feedback?

www.mywater.us/california/regulatory/general-rate-case

All rate figures shown here are proposed, not final. The CPUC will review, adjust, and approve final rates through its formal process.



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CUSTOMER RATE ADJUSTMENT EXPLAINED

Even with Suburban’s careful management and efficiency improvements, the cost to provide safe and reliable water continues to rise:



INFLATION: Equipment and construction costs are up. Materials, skilled labor, and essential parts like steel, concrete, and pumps now cost much more than they did when the rates were last adjusted. Inflation and federal trade tariffs are causing supplies such as pipes, fittings, and treatment chemicals to be more expensive to manufacture and ship, increasing costs.



FUEL AND POWER: It takes significant energy to pump, treat, and deliver water to 300,000 people across our service area. Higher electricity and fuel prices increase operating costs. Suburban spends more than \$4 million each year on electricity, and those costs continue to rise.



WATER: Suburban spends \$29 million per year on water. This includes fees for groundwater basins, local wholesalers, and on water imported from Northern California.



TAXES: Suburban pays \$1.5 million in franchise fees to local cities and counties, \$3.3 million in property taxes to Los Angeles and Orange County, and is responsible for \$9.6 million in income taxes to California and the US Government.



AGING PIPES: Much of our infrastructure was installed seven decades ago. To maintain safety, reliability, and fire protection we use data collected from repairs to prioritize pipe replacement to provide dependable uninterrupted service today and for generations to come.

YOUR DOLLARS AT WORK

The water we deliver is the only utility that people ingest. Ensuring it is safe and reliable requires expertise and investment. Continuous upgrades to pipelines, tanks, wells, and treatment technology help prevent leaks, improve fire protection, and maintain water quality.

In 2024, Suburban invested \$39 million in system upgrades. Suburban was required to limit upgrades in 2025 to \$21 million to manage the reduced investment amount adopted by the CPUC. This is far less than is needed to keep our water system safe and reliable. The rate adjustment proposed in this rate case includes high priority capital projects required to provide safe and reliable water service.

2027–2029 Priority Projects

These planned improvements will replace aging infrastructure and enhance reliability and emergency readiness across our service area:

PFAS AND MANGANESE REMOVAL: Install treatment equipment to remove PFAS and manganese from drinking water.

WATER MAIN REPLACEMENT: Replacing aging, deteriorating, and undersized pipelines and hydrants that break and cause service interruptions to homes and businesses, to increase reliability and fire protection.

GROUNDWATER WELL CONSTRUCTION: Local water costs less, is more reliable and requires less greenhouse gas emissions.

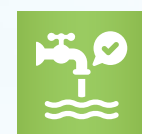
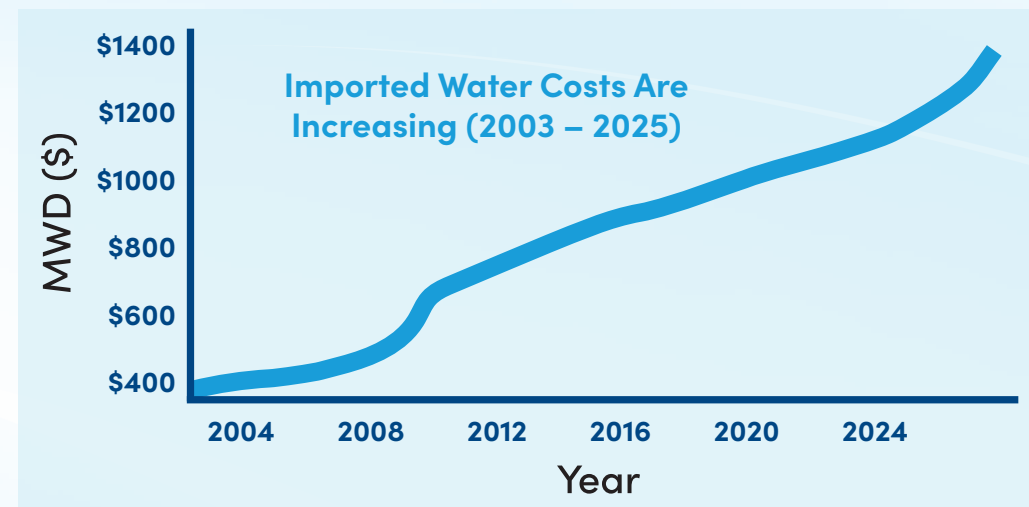
SMART METER INSTALLATION: Provide customers with hourly meter read data, and home plumbing leak alerts to reduce water waste and save money.

WATER TANK REHABILITATION: Make structural repairs and re-coat tanks so they reliably store water for everyday use, supply shortage emergencies, and for fire fighting in neighborhoods.



MWD RATES OVER TIME

Imported water from the Metropolitan Water District has increased more than 240 percent since 2003, directly impacting the cost of service.



Our Commitment

We invest today so you never have to worry about turning on the tap tomorrow.



PROPOSED 40.51% THREE-YEAR RATE ADJUSTMENT

Rates are proposed to increase gradually each year to maintain safe, reliable water service and spread out the impact on customers. The annual proposed increases are shown on the chart below.

Proposed Rate Adjustments (2027-2029)

