

**APPENDIX B
SPECIFIED COSTS AND CHARGES, EFFECTIVE: 4/19/2024**



SPECIFIED COSTS AND CHARGES

The costs and charges identified in defined terms in the Rules are further defined as follows:

Cost-of-Service Factor: The SFPUC's Cost-of-Service Factor shall be the annualized SFPUC-financed Monthly Cost-of-Ownership (0.168, which is equivalent to 16.80%).

Cost-of-Ownership Charge: The Monthly Cost-of-Ownership Charge shall be 1.40% per month for SFPUC-financed amounts (and 0.46% for Applicant-financed amounts).

Commercial Allowance: The Commercial Allowance for Distribution or Service Line Extensions shall be based on the following formula:

$$\text{Net Distribution Revenue for the First Year} \div \text{Cost-of-Service Factor}$$

Residential Allowance: The Residential Allowance for Distribution or Service Line Extensions shall be
\$1,825 per residential unit.